



MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
NOTICE AND AGENDA

11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, March 18, 2025, at or after 6:00 PM

Jon Post, Mayor
Roxanne Ziegler, Vice Mayor
Patrick Cavanaugh, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
Teri Murphy, Council Member
John Officer, Council Member

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Marana Town Council and to the general public that the Town Council will hold a meeting open to the public on March 18, 2025, at or after 6:00 PM located in the Council Chambers of the Ed Honea Marana Municipal Complex, 11555 W. Civic Center Drive, Marana, Arizona.

ACTION MAY BE TAKEN BY THE COUNCIL ON ANY ITEM LISTED ON THIS AGENDA. Revisions to the agenda can occur up to 24 hours prior to the meeting. Revisions to the agenda appear in *italics*.

As a courtesy to others, please turn off or put in silent mode all electronic devices.

Meeting Times

Welcome to this Marana Town Council meeting. Regular Council meetings are usually held the first and third Tuesday of each month at 6:00 PM at the Ed Honea Marana Municipal Complex, although the date or time may change and additional meetings may be called at other times and/or places. Contact the Town Clerk or watch for posted agendas for other meetings. This agenda may be revised up to 24 hours prior to the meeting. In such a case a new agenda will be posted in place of this agenda.

Speaking at Meetings

If you are interested in speaking to the Council during the Call to the Public or Public Hearings, you must fill out a speaker card (located in the lobby outside the Council

Chambers) and deliver it to the Town Clerk prior to the convening of the meeting.

All persons attending the Council meeting, whether speaking to the Council or not, are expected to observe the Council rules, as well as the rules of politeness, propriety, decorum and good conduct. Any person interfering with the meeting in any way, or acting rudely or loudly will be removed from the meeting and will not be allowed to return.

Accessibility

To better serve the citizens of Marana and others attending our meetings, the Council Chambers are wheelchair and handicapped accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Town Clerk at (520) 382-1999. Requests should be made as early as possible to arrange the accommodation.

Agendas

Copies of the agenda are available the day of the meeting in the lobby outside the Council Chambers or online at www.maranaaz.gov under Agendas and Minutes. For questions about the Council meetings, special services or procedures, please contact the Town Clerk, at (520) 382-1999, Monday through Friday from 8:00 AM to 5:00 PM.

This Notice and Agenda Posted no later than 24 hours prior to the meeting, at the Ed Honea Marana Municipal Complex, 11555 W. Civic Center Drive, the Marana Operations Center, 5100 W. Ina Road, and at www.maranaaz.gov under Agendas and Minutes.

REGULAR COUNCIL MEETING

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE

APPROVAL OF AGENDA

CALL TO THE PUBLIC

At this time any member of the public is allowed to address the Town Council on any issue within the jurisdiction of the Town Council, except for items scheduled for a Public Hearing at this meeting. The speaker may have up to three minutes to speak. Any persons wishing to address the Council must complete a speaker card located outside the Council Chambers and deliver it to the Town Clerk prior to the commencement of the meeting. Individuals addressing a meeting at the Call to the Public will not be provided with electronic technology capabilities beyond the existing voice amplification and recording capabilities in the facilities. Pursuant to the Arizona Open Meeting Law, at the conclusion of Call to the Public, individual members of the Council may respond to criticism made by those who have addressed the Council, and may ask staff to review

the matter, or may ask that the matter be placed on a future agenda.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

PRESENTATIONS

CONSENT AGENDA

The Consent Agenda contains items requiring action by the Council which are generally routine items not requiring Council discussion. A single motion and affirmative vote will approve all items on the Consent Agenda, including any resolutions or ordinances. Prior to a motion to approve the Consent Agenda, any Council member may remove any item from the Consent Agenda and that item will be discussed and voted upon separately.

- C1 Ordinance No. 2025.005: Relating to Procurement; revising Marana Town Code Title 3 (Administration), Chapter 3-4 (Procurement), sections 3-4-5 (Definitions) and 3-4-23 (Cooperative Purchasing) to authorize the town to participate in national purchasing cooperatives; and designating an effective date (Yiannis Kalaitzidis)
- C2 Resolution No. 2025-022: Relating to Budget; approving the transfer of \$450,000 of budgeted expenditure authority from the General Fund contingency line item to the General Fund non-departmental budget in the fiscal year 2024-2025 budget for the payment of attorneys' fees pursuant to the settlement agreement between the Town of Marana and the Southern Arizona Home Builders Association (SAHBA) in settlement of the litigation captioned *Southern Arizona Home Builders Association v. Town of Marana*, No. C20184411 (Pima County Superior Court) (Yiannis Kalaitzidis)
- C3 Resolution No. 2025-023: Relating to Public Works; approving and authorizing the Mayor to sign a public improvement participation agreement with SAS Properties, LLC for the construction of driveway improvements as part of the Tangerine Road widening project Phase 2A (Jane Fairall)
- C4 Approval of Special Council Meeting/Retreat Summary Minutes of February 19 - 21, 2025, approval of Special Council Meeting Summary Minutes of February 25, 2025, and approval of Regular Council Meeting Summary Minutes of March 4, 2025 (David L. Udall)

LIQUOR LICENSES

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

- A1 Ordinance No. 2025.006: Relating to Mayor and Council; amending Marana Town Code Title 2 (Mayor and Council), amending Chapter 2-1 (Council) Section 2-1-4 (Vacancies) to provide for the filling of Council vacancies consistent with Arizona state law; amending chapter 2-2 (Council Elections) Section 2-2-8 (Automatic recount) to clarify when an automatic recount is required under state law; amending Chapter 2-3 (Mayor and Vice Mayor) Section 2-3-1 (Vice mayor) to add a provision for appointment of a vice mayor when the seat is vacant; and designating an effective date

Resolution No. 2025-024: Relating to Mayor and Council; declaring as a public record filed with the Town Clerk the amendments adopted by Ordinance No. 2025.006, amending Marana Town Code Title 2 (Mayor and Council), amending Chapter 2-1 (Council) Section 2-1-4 (Vacancies) to provide for the filling of Council vacancies consistent with Arizona state law; amending Chapter 2-2 (Council Elections) Section 2-2-8 (Automatic recount) to clarify when an automatic recount is required under state law; amending Chapter 2-3 (Mayor and Vice Mayor) Section 2-3-1 (Vice mayor) to add a provision for appointment of a vice mayor when the seat is vacant (Jane Fairall)

- A2 Resolution No. 2025-025: Relating to the Marana Regional Airport; approving and authorizing the Mayor to sign the Second Amendment to Marana Regional Airport Lease Agreement with The J.D. Russell Company (David L. Udall)

ITEMS FOR DISCUSSION / POSSIBLE ACTION

- D1 Relating to Legislation and Government Actions; discussion and possible action or direction regarding all pending state, federal, and local legislation/ government actions and on recent and upcoming meetings of other governmental bodies (Terry Rozema)

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

- E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the Mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

ADJOURNMENT



Council-Regular Meeting

C1

Meeting Date: 03/18/2025

To: Mayor and Council

Submitted For: Yiannis Kalaitzidis, Finance Director

From: Libby Shelton, Deputy Town Attorney

Date: March 18, 2025

Strategic Plan Focus Area:

Not Applicable

Subject: Ordinance No. 2025.005: Relating to Procurement; revising Marana Town Code Title 3 (Administration), Chapter 3-4 (Procurement), sections 3-4-5 (Definitions) and 3-4-23 (Cooperative Purchasing) to authorize the town to participate in national purchasing cooperatives; and designating an effective date (Yiannis Kalaitzidis)

Discussion:

Updating the Town code to authorize the Town to participate in national purchasing cooperatives will allow the Town to use existing contracts where the procedures followed to perform the procurement were substantially equivalent with State and Local regulations. This update will also allow more flexibility for staff during the procurement process, and create opportunities to link to contracts negotiated by larger entities, which often result in more advantageous pricing and terms.

Financial Impact:

Depending on the type of cooperative contract utilized there might be a fee added to the overall contract cost of the purchase. Those fees may range from no cost to 4%. Staff include such costs in the overall analysis of the purchase as part of the process to ensure that the overall cost is advantageous to the Town.

Staff Recommendation:

Staff recommends adoption of the amendments to Title 3, Chapter 3-4 (Procurement).

Suggested Motion:

I move to adopt Ordinance No. 2025.005 revising Marana Town Code Title 3 (Administration), Chapter 3-4 (Procurement), sections 3-4-5 (Definitions) and 3-4-23 (Cooperative Purchasing) to authorize the town to participate in national purchasing cooperatives; and designating an effective date.

Attachments

Ordinance No. 2025.005

MARANA ORDINANCE NO. 2025.005

RELATING TO PROCUREMENT; REVISING MARANA TOWN CODE TITLE 3 (ADMINISTRATION), CHAPTER 3-4 (PROCUREMENT), SECTIONS 3-4-5 (DEFINITIONS) AND 3-4-23 (COOPERATIVE PURCHASING) TO AUTHORIZE THE TOWN TO PARTICIPATE IN NATIONAL PURCHASING COOPERATIVES; AND DESIGNATING AN EFFECTIVE DATE

WHEREAS the Town Council is authorized by A.R.S. § 9-240 to control the finances of the Town; and

WHEREAS, on November 7, 2017, the Town Council adopted Ordinance No. 2017.022, replacing Chapter 3-4 entitled "Purchasing" with a comprehensive rewrite of Chapter 3-4 entitled "Procurement"; and

WHEREAS the Town Council finds that the revisions to Marana Town Code Chapter 3-4 set forth in this ordinance are in the best interests of the Town of Marana.

NOW THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, as follows:

SECTION 1. Marana Town Code Title 3 (Administration), Chapter 3-4 (Procurement) is hereby amended to revise section 3-4-5 (Definitions) as follows (with additions shown with double underlining):

3-4-5 Definitions

The following definitions shall apply throughout this chapter unless the context clearly indicates otherwise.

[Paragraphs A through G remain unchanged]

- H. "Cooperative purchasing" means procurement conducted by, or on behalf of, one or more public procurement units, including the state of Arizona, any other state, an agency of the United States, any political subdivision of the state of Arizona or another state, any agency, board, department or other instrumentality of such political subdivision, and any nonprofit or for-profit corporation created solely for the purpose of administering a cooperative purchase.

[Paragraphs I through Z remain unchanged]

SECTION 2. Marana Town Code Title 3 (Administration), Chapter 3-4 (Procurement) is hereby amended to revise section 3-4-23 (Cooperative Purchasing) as

follows (with additions shown with double underlining and deletions show with ~~strikethroughs~~):

3-4-23 Cooperative purchasing

- A. The purchasing director is authorized to participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any supplies, services or construction with one or more eligible procurement units, including a state, another political subdivision of a state, state cooperatives, ~~and the federal government, and~~ national nonprofit and for-profit governmental purchasing cooperatives in accordance with an agreement entered into between the participants.

[Paragraphs B and C remain unchanged]

SECTION 3. The various town officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this ordinance.

SECTION 4. All ordinances, resolutions, or motions and parts of ordinances, resolutions, or motions of the Council in conflict with the provisions of this ordinance are hereby repealed, effective as of the effective date of this ordinance.

SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, the decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 6. This ordinance is effective on the 31st day after its adoption.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, Arizona, this 18th day of March, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

David L. Udall, Town Clerk

Jane Fairall, Town Attorney



Council-Regular Meeting

C2

Meeting Date: 03/18/2025

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: March 18, 2025

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2025-022: Relating to Budget; approving the transfer of \$450,000 of budgeted expenditure authority from the General Fund contingency line item to the General Fund non-departmental budget in the fiscal year 2024-2025 budget for the payment of attorneys' fees pursuant to the settlement agreement between the Town of Marana and the Southern Arizona Home Builders Association (SAHBA) in settlement of the litigation captioned *Southern Arizona Home Builders Association v. Town of Marana*, No. C20184411 (Pima County Superior Court) (Yiannis Kalaitzidis)

Discussion:

The budget for fiscal year 2024-2025 was adopted on June 18, 2024, which set the legal level of budgetary control at the department level for the General Fund and at the fund level for all other funds. Council approval is required for budgetary transfers between General Fund departments, between funds, and for any transfer of contingency. The purpose of this item is to request a transfer of General Fund contingency to the General Fund non-departmental budget for the payment of attorneys' fees pursuant to the settlement of the SAHBA litigation. The settlement agreement was approved by Council on March 4, 2025, via Resolution No. 2025-021. In addition to other elements, the settlement includes the following items with financial implications.

- The agreement requires the Town to pay SAHBA \$450,000 as reimbursement of attorneys' fees incurred by SAHBA in connection with the litigation, within 15 business days of the effective date of the agreement.
- The Town will adjust its current Water Resources and Waterwater Facilities development impact fees, adopted in December 2022, downward as set forth in Exhibit A to Ordinance No. 2025.004 and not increased for 3 years or until the

Town approves new impact fees pursuant to state law, whichever is later.

While both of these elements have a financial impact, this evening we are only asking Council to approve the budgetary transfer for the \$450,000 in attorneys's fees. Since the settlement agreement lowered the 2022 impact fees, the Town will be required to effectively supplement the reduction through non-impact fee funds. Staff anticipates taking a second budgetary transfer request once the financial impact is known.

Financial Impact:

The requested budget adjustment does not increase the overall expenditure amount for the General Fund or the Town in whole. The transfers would only reallocate existing budgetary authority. Funding for the \$450,000 payment is provided by the General Fund available reserves.

Staff Recommendation:

Staff recommends approval of the budget transfer.

Suggested Motion:

I move to adopt Resolution No. 2025-022, approving the transfer of \$450,000 of budgeted expenditure authority from the General Fund contingency line item to the General Fund non-departmental budget in the fiscal year 2024-2025 budget for the payment of attorneys' fees related to the SAHBA settlement.

Attachments

Resolution No. 2025-022

MARANA RESOLUTION NO. 2025-022

RELATING TO BUDGET; APPROVING THE TRANSFER OF \$450,000 OF BUDGETED EXPENDITURE AUTHORITY FROM THE GENERAL FUND CONTINGENCY LINE ITEM TO THE GENERAL FUND NON-DEPARTMENTAL BUDGET IN THE FISCAL YEAR 2024-2025 BUDGET FOR THE PAYMENT OF ATTORNEYS' FEES PURSUANT TO THE SETTLEMENT AGREEMENT BETWEEN THE TOWN OF MARANA AND THE SOUTHERN ARIZONA HOME BUILDERS ASSOCIATION (SAHBA) IN SETTLEMENT OF THE LITIGATION CAPTIONED *SOUTHERN ARIZONA HOME BUILDERS ASSOCIATION V. TOWN OF MARANA*, NO. C20184411 (PIMA COUNTY SUPERIOR COURT)

WHEREAS, on June 18, 2024, the Town Council adopted the fiscal year 2024-2025 budgetary document and overall financial plan which set the legal level of budgetary control at the department level for the General Fund and at the fund level for all other funds; and

WHEREAS, on March 4, 2025, the Town Council adopted Resolution No. 2025-021, approving a settlement agreement between the Town of Marana and the Southern Arizona Home Builders Association (SAHBA) in settlement of the litigation captioned *Southern Arizona Home Builders Association v. Town of Marana*, No. C20184411 (Pima County Superior Court); and

WHEREAS the settlement agreement requires that within 15 business days following the effective date of the agreement, the Town will pay SAHBA \$450,000 as reimbursement of attorneys' fees incurred by SAHBA in connection with the litigation; and

WHEREAS the settlement of the SAHBA litigation and the amount of any potential resulting payments could not be anticipated at the time of the adoption of the fiscal year 2024-2025 budget; and

WHEREAS transferring amounts within the fiscal year 2024-2025 budget will not significantly impact the General Fund; and

WHEREAS reallocations of budgetary amounts between the contingency line item in the General Fund to other line items are necessary from time to time; and

WHEREAS the Council finds that the reallocation addressed by this resolution is in the best interest of the Town of Marana and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS:

SECTION 1. The transfer of \$450,000 of budgeted expenditure authority from the General Fund contingency line item to the General Fund non-departmental budget in the fiscal year 2024-2025 budget for the payment of attorneys' fees pursuant to the settlement agreement between the Town of Marana and SAHBA is hereby approved.

SECTION 2. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of this resolution.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 18th day of March, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

David L. Udall, Town Clerk

Jane Fairall, Town Attorney



Council-Regular Meeting

C3

Meeting Date: 03/18/2025

To: Mayor and Council

From: Jane Fairall, Town Attorney

Date: March 18, 2025

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2025-023: Relating to Public Works; approving and authorizing the Mayor to sign a public improvement participation agreement with SAS Properties, LLC for the construction of driveway improvements as part of the Tangerine Road widening project Phase 2A (Jane Fairall)

Discussion:

SAS Properties, LLC ("SAS") owns approximately 2.99 acres of land located on the south side of Tangerine Road, approximately 1.4 miles east of the Interstate 10 and Tangerine Road traffic interchange bearing Pima County Assessor's Parcel number 216-08-0180 (the "Subject Property"). SAS has developed the Subject Property and needs modifications to its driveway off of Tangerine Road (the "Driveway Improvements"). The Town of Marana has selected Borderland Construction Company, Inc. ("Borderland") as the Construction Manager at Risk ("CMAR") for the Tangerine Road widening project Phase 2A, Town of Marana Project No. ST098 (the "Road Project").

SAS has requested that the Town build the Driveway Improvements as a part of its Road Project, with SAS being responsible for all costs. The proposed public improvement participation agreement ("PIPA") provides that SAS shall deposit with the Town the full anticipated costs of construction of the Driveway Improvements (\$17,633.97) in order for the Town to complete the Driveway Improvements for SAS. No later than 90 days after substantial completion of the Driveway Improvements, the Town will provide to SAS an itemized statement of the Town's costs for the Driveway Improvements and a check or invoice representing the difference between Marana's costs and SAS's cash deposit. If SAS's cash deposit was insufficient

to cover SAS's obligations under the agreement, SAS will pay Marana the balance of the costs for the Driveway Improvements as set forth in the invoice within 30 days after the itemized statement and invoice are provided to SAS. Any amounts unpaid after 30 days shall accrue simple interest at the rate of 10% per year until paid in full.

Financial Impact:

No financial impact to the Town is anticipated due to this agreement, as SAS will pay for all costs associated with the Driveway Improvements.

Staff Recommendation:

Staff recommends approval of the agreement.

Suggested Motion:

I move to adopt Resolution No. 2025-023, approving and authorizing the Mayor to sign a public improvement participation agreement with SAS Properties, LLC for the construction of driveway improvements as part of the Tangerine Road widening project Phase 2A.

Attachments

Resolution No. 2025-023
SAS PIPA with Exhibits

MARANA RESOLUTION NO. 2025-023

RELATING TO PUBLIC WORKS; APPROVING AND AUTHORIZING THE MAYOR TO SIGN A PUBLIC IMPROVEMENT PARTICIPATION AGREEMENT WITH SAS PROPERTIES, LLC FOR THE CONSTRUCTION OF DRIVEWAY IMPROVEMENTS AS PART OF THE TANGERINE ROAD WIDENING PROJECT PHASE 2A

WHEREAS the Town has selected Borderland Construction Company, Inc. ("Borderland") as the Construction Manager at Risk ("CMAR") for the Tangerine Road widening project Phase 2A, Town of Marana Project No. ST098 (the "Road Project"); and

WHEREAS SAS Properties, LLC ("SAS") owns approximately 2.99 acres of land located on the south side of Tangerine Road, approximately 1.4 miles east of the Interstate 10 and Tangerine Road traffic interchange bearing Pima County Assessor's Parcel number 216-08-0180 and referred to in this Resolution as the "Subject Property"; and

WHEREAS SAS has developed the Subject Property and needs modifications to its driveway off of Tangerine Road (the "Driveway Improvements"); and

WHEREAS Town staff has negotiated an agreement with SAS to assure payment of all costs associated with the construction of the Driveway Improvements as part of the Road Project; and

WHEREAS the Mayor and Council of the Town of Marana feel it is in the best interests of the citizens of Marana to enter into the public improvement participation agreement for the construction of the Driveway Improvements as part of the Road Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, that the public improvement participation agreement with SAS Properties, LLC for the construction of the Driveway Improvements as part of the Road Project, in substantially the form provided in the agenda materials associated with this Council agenda item, is hereby approved, and the Mayor is authorized to sign it for and on behalf of the Town of Marana.

IT IS FURTHER RESOLVED that the Town Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, conditions and objectives of the agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of March, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

David L. Udall, Town Clerk

Jane Fairall, Town Attorney

PUBLIC IMPROVEMENT PARTICIPATION AGREEMENT TOWN OF MARANA, ARIZONA

This Public Improvement Participation Agreement (this “Agreement”) is made and entered into by and between SAS PROPERTIES, LLC, an Arizona limited liability company (“SAS”), and the TOWN OF MARANA, an Arizona municipal corporation (“Marana”). SAS and Marana are sometimes collectively referred to in this Agreement as the “Parties,” either of which is sometimes referred to as a “Party.”

RECITALS

A. Marana has entered into a Construction Manager at Risk (“CMAR”) contract with BORDERLAND CONSTRUCTION COMPANY, INC. (“Borderland”) for the construction of the Tangerine Road widening project Phase 2A, Town of Marana Project No. ST098 (the “Road Project”).

B. SAS owns approximately 2.99 acres of land located on the south side of Tangerine Road, approximately 1.4 miles east of the Interstate 10 and Tangerine Road traffic interchange bearing Pima County Assessor’s Parcel number 216-08-0180 and referred to in this Agreement as the “Subject Property.”

C. SAS has developed the Subject Property and needs modifications to its driveway off of Tangerine Road (the “Driveway Improvements”).

D. The Parties believe that the most economical and least disruptive way to accomplish the prompt Driveway Improvements for and on the Subject Property is for the Parties to arrange to have the work completed by Borderland in connection with the construction of the Road Project.

E. Borderland has provided the Parties with a proposed price of \$ 17,633.97 for the Driveway Improvements. A true and correct copy of Borderland’s proposal is attached to and incorporated in this Agreement as Exhibit A.

F. The purpose of this Agreement is to facilitate Marana’s completion of the Driveway Improvements for and on the Subject Property as part of the Road Project with funding provided by SAS.

AGREEMENT

NOW, THEREFORE, based on the foregoing recitals, which are incorporated here as the intention of the Parties in entering into this Agreement, the Parties agree as follows:

1. Depiction of the Driveway Improvements for and on the Subject Property. The Driveway Improvements depiction attached as Exhibit B show the nature and extent of the work to be completed by Borderland pursuant to this Agreement, which Marana and Borderland shall incorporate into the Road Project design.

2. Grant of right of entry and temporary construction easement. SAS hereby grants Marana and Borderland a right of entry and temporary construction easement over the Subject

Property, to accommodate completion of the Driveway Improvements located on the Subject Property.

3. SAS's obligation to pay costs for the Driveway Improvements as described in Exhibit A. SAS shall pay all costs associated with the completion of the Driveway Improvements for and on the Subject Property. Marana and SAS agree that the construction costs for the Driveway Improvements are anticipated to be \$ 17,633.97, as itemized and attached to this Agreement as Exhibit A.

4. Cash deposit to secure SAS's obligations under this Agreement. SAS's obligations under this Agreement, including without limitation SAS's obligations under paragraph 3 above, shall be secured by a cash deposit to Marana in the amount of \$ 17,633.97, referred to in this Agreement as "SAS's Cash Deposit." SAS shall provide SAS's Cash Deposit to the Town within 15 business days after the Effective Date of this Agreement.

5. Reconciliation and final payment. No later than 90 days after substantial completion of the Driveway Improvements for and on the Subject Property, Marana shall provide to SAS an itemized statement of Marana's construction and design costs for the Driveway Improvements for and on the Subject Property and a check or invoice representing the difference between Marana's costs and SAS's Cash Deposit. If SAS's Cash Deposit was insufficient to cover SAS's obligations under this Agreement, SAS shall pay Marana the balance of the costs for the Driveway Improvements for and on the Subject Property as set forth in the invoice within 30 days after the itemized statement and invoice are provided to SAS. Any amounts unpaid after 30 days shall accrue simple interest at the rate of 10% per year until paid in full.

6. Recording. This Agreement shall not be recorded.

7. Notices. All notices shall be in writing and shall be sufficiently given and served upon the other Party by electronic mail, receipt of which has been acknowledged by the other Party, or by hand delivery, first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:

SAS: SAS PROPERTIES, LLC
c/o Jared Palmer, Manager
8135 West Tangerine Road
Marana, AZ 85658

Marana: TOWN OF MARANA
c/o Marana Legal Department
11555 West Civic Center Drive
Marana, AZ 85653

8. Governing law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona, and any lawsuit to enforce any provision of this Agreement or to obtain any remedy with respect to this Agreement shall be brought in the Pima County Superior Court, and for this purpose the Parties expressly and irrevocably consent to the jurisdiction of the Pima County Superior Court.

9. Court costs and reasonable attorneys' fees to prevailing Party in dispute. If a Party fails to perform any of its obligations under this Agreement, or if a dispute arises concerning the

meaning or interpretation of any provision of this Agreement, the prevailing Party shall be entitled to its reasonable attorneys' fees and costs determined pursuant to A.R.S. § 12-341.01.

10. **Exhibits.** Any exhibit attached to this Agreement shall be deemed to have been incorporated in this Agreement by reference with the same force and effect as if fully set forth in the body of this Agreement.

11. **Cancellation for conflicts.** This Agreement is subject to A.R.S. § 38-511, which provides for cancellation of contracts in certain instances involving conflicts of interest.

12. **Counterparts.** This Agreement may be executed in any number of counterparts. Each counterpart shall be deemed an original, but all counterparts shall constitute but one agreement.

13. **Effective Date of Agreement.** The date of this Agreement (the "Effective Date") shall for all purposes be the date of the Mayor's signature on this Agreement.

[SIGNATURE PAGE FOLLOWS]

SAS:

SAS PROPERTIES, LLC, an Arizona limited liability company

By: _____
Jared Palmer, Manager

Date: _____

By: _____
Lamonte Harold Thiesse, Manager

Date: _____

Marana:

TOWN OF MARANA, an Arizona municipal corporation

By: _____
Jon Post, Mayor

Date: _____

ATTEST:

David L. Udall, Town Clerk

APPROVED AS TO FORM:

Jane Fairall, Town Attorney

STATE OF ARIZONA)
) ss.
County of Pima)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Jared Palmer, Manager of SAS PROPERTIES, LLC, an Arizona limited liability company, on behalf of the LLC.

(Seal)

Notary Public

STATE OF ARIZONA)
) ss.
County of Pima)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Lamonte Harold Thiesse, Manager of SAS PROPERTIES, LLC, an Arizona limited liability company, on behalf of the LLC.

(Seal)

Notary Public



CONSTRUCTION MANAGER AT-RISK (CMAR) - PRE-CONSTRUCTION SERVICES

COST PROPOSAL

Service Aero Solutions (SAS) Driveway Modifications at 8135 W. Tangerine Road

(To Be Constructed with Town of Marana Tangerine Road Phase 2A - ST098)

Updated: January 13, 2025

CONSTRUCTION	AMOUNT
CONSTRUCTION COSTS:	
I. Cost of Construction	\$ 14,151.02
II. CMAR Contingency (N/A - Excluded)	\$ -
SUBTOTAL (Direct Construction Cost)	\$ 14,151.02
INDIRECT CONSTRUCTION COSTS:	
III. General Conditions (N/A - Excluded)	\$ -
IV. Overhead	\$ 1,137.74
V. General Liability Insurance	\$ 47.00
VI. Payment and Performance Bonds	\$ 156.94
SUBTOTAL (Indirect Construction Cost)	\$ 1,341.68
SUBTOTAL (Direct Construction Cost + Indirect Construction Cost)	\$ 15,492.70
VII. Construction Fee	\$ 1,054.92
SUBTOTAL (Direct Cons. Cost + Gen Cond + Overhead + Insurance + Bonds + Fee)	\$ 16,547.62
VIII. Arizona Gross Receipts Tax	\$ 1,086.35
TOTAL CMAR COST (if constructed simultaneously with Tangerine Rd Phase 2A project)	\$ 17,633.97

For supporting documentation - see also:

Attachment #1 - Schedule of Values



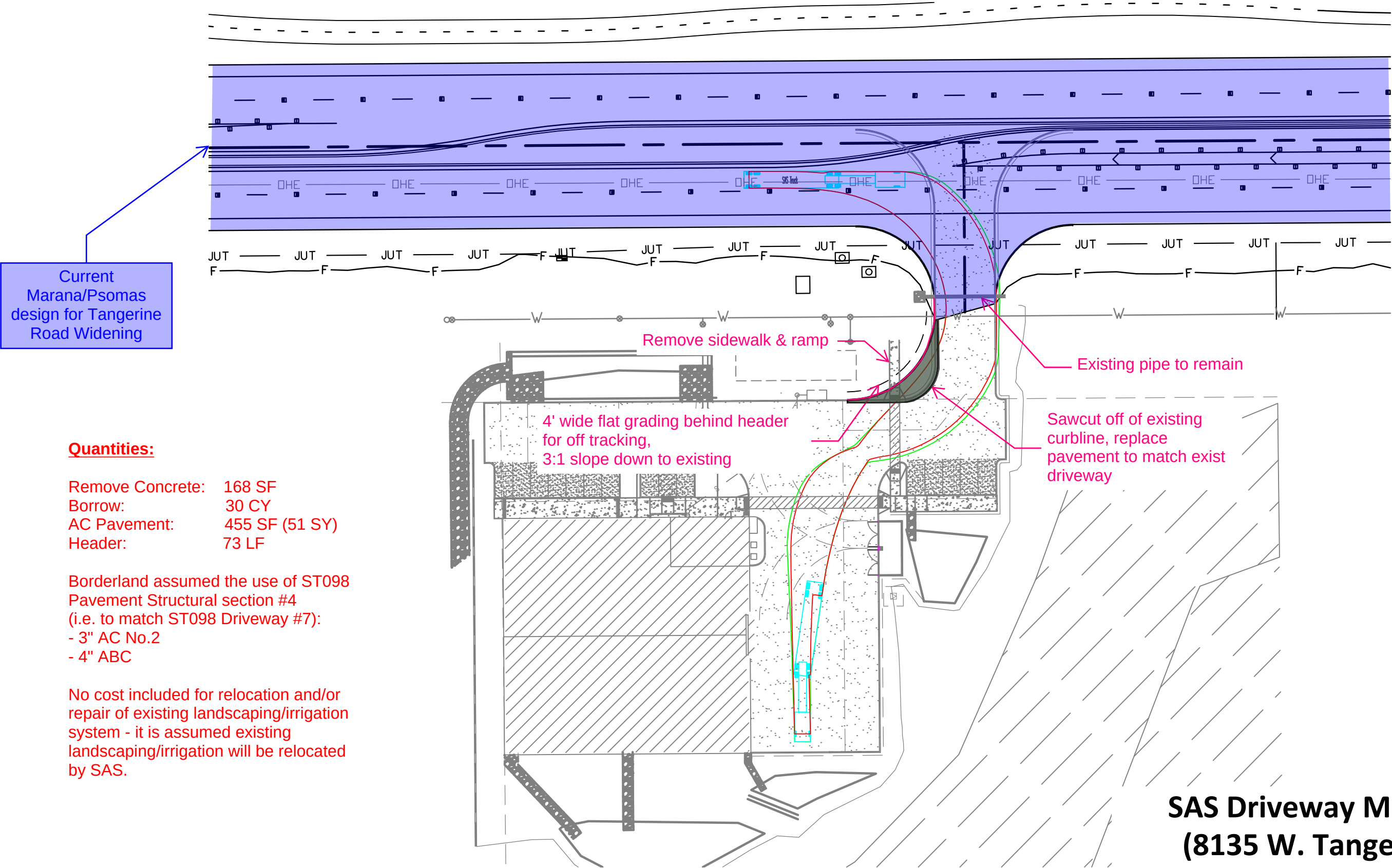
CONSTRUCTION MANAGER AT-RISK (CMAR) - PRE-CONSTRUCTION SERVICES

ATTACHMENT #1 - SCHEDULE OF VALUES

Service Aero Solutions (SAS) Driveway Modifications at 8135 W. Tangerine Road

Updated: January 13, 2025

Line No.	Item No.	Item Description	Unit	Quantity	Unit Cost	Extended Amount
1	-	I. COST OF CONSTRUCTION - LINE ITEMS				-
2	-	SAS DRIVEWAY MODIFICATIONS (ST098-DWY #7, STA.521+22.06) (to be constructed simultaneously with Tangerine Rd Phase 2A project)				-
3	2020029	Removal of Existing Curb and Sidewalk	LS	1.00	\$ 1,375.31	\$ 1,375.31
4	2050001	Grading For Driveway Pavement	SY	51.00	\$ 29.79	\$ 1,519.29
5	3030003	Aggregate Base (4") (ST098-SS#4)	CY	10.00	\$ 438.93	\$ 4,389.30
6	4060004	Asphaltic Concrete No. 2 (3") (ST098-SS#4)	TON	10.00	\$ 219.24	\$ 2,192.40
7	9080001	Concrete Header	LF	73.00	\$ 36.64	\$ 2,674.72
8	9240170	Contractor Quality Control	LS	1.00	\$ 1,000.00	\$ 1,000.00
9	9250001	Construction Survey and Layout	LS	1.00	\$ 1,000.00	\$ 1,000.00
10	-	COST OF CONSTRUCTION - LINE ITEMS SUBTOTAL				\$ 14,151.02
11	-	II. CMAR CONTINGENCY				-
12	299.001	N/A - Excluded	-	-	\$ -	\$ -
13	299.100	CMAR CONTINGENCY - LINE ITEMS SUBTOTAL				\$ -
14	-	SUBTOTAL A. (DIRECT CONSTRUCTION COSTS)				\$ 14,151.02
15	-	INDIRECT CONSTRUCTION COSTS				-
16	-	III. GENERAL CONDITIONS				-
17	-	SAS DRIVEWAY MODIFICATIONS				-
18	300.001	N/A - Excluded	-	-	\$ -	\$ -
19	300.100	SUBTOTAL B. (III. GENERAL CONDITIONS)				\$ -
20	-	SUBTOTAL C. (DIRECT COSTS + GENERAL CONDITIONS)				\$ 14,151.02
21	400.100	IV. CMAR OVERHEAD (8.04% of Subtotal C)	LS	1.00	\$ 1,137.74	\$ 1,137.74
22	-	SUBTOTAL D. (DIRECT COSTS + GENERAL CONDITIONS + OVERHEAD)				\$ 15,288.76
23	700.100	VII. CONSTRUCTION FEE (6.90% of Subtotal D)	LS	1.00	\$ 1,054.92	\$ 1,054.92
24	500.100	V. GENERAL LIABILITY INSURANCE (0.2876% of Subtotal D + VIII + V)	LS	1.00	\$ 47.00	\$ 47.00
25	600.100	VI. PAYMENT & PERFORMANCE BONDS	LS	1.00	\$ 156.94	\$ 156.94
26	-	SUBTOTAL E. (SUBTOTAL D + VII + V + VI)				\$ 16,547.62
27	800.100	VIII. TOWN OF MARANA SALES TAX (10.1% at 65% of Subtotal E)				\$ 1,086.35
28	-	TOTAL CMAR COST (if constructed simultaneously with Tangerine Rd Phase 2A project)				\$ 17,633.97



Quantities:

Remove Concrete: 168 SF
Borrow: 30 CY
AC Pavement: 455 SF (51 SY)
Header: 73 LF

Borderland assumed the use of ST098
Pavement Structural section #4
(i.e. to match ST098 Driveway #7):
- 3" AC No.2
- 4" ABC

No cost included for relocation and/or
repair of existing landscaping/irrigation
system - it is assumed existing
landscaping/irrigation will be relocated
by SAS.

**SAS Driveway Modifications
(8135 W. Tangerine Road)
Borderland Quantity Takeoff Exhibit**

Exhibit Updated: December 17, 2024

Cost Proposal Updated: January 13, 2025



Council-Regular Meeting

C4

Meeting Date: 03/18/2025

To: Mayor and Council

From: David L. Udall, Town Clerk/ Assistant Town Attorney

Date: March 18, 2025

Subject: Approval of Special Council Meeting/Retreat Summary Minutes of February 19 - 21, 2025, approval of Special Council Meeting Summary Minutes of February 25, 2025, and approval of Regular Council Meeting Summary Minutes of March 4, 2025 (David L. Udall)

Attachments

Special Council Meeting/Retreat Summary Minutes, 2/19-21/2025

Special Council Meeting Summary Minutes, 02/25/2025

Regular Council Meeting Summary Minutes, 03/04/2025

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MARANA TOWN COUNCIL
SPECIAL COUNCIL MEETING/RETREAT
Crowne Plaza Resort, One North San Marcos Pl, Chandler, AZ 85225
February 19 - 21, 2025

Jon Post, Mayor
Roxanne Ziegler, Vice Mayor
Patrick Cavanaugh, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
Teri Murphy, Council Member
John Officer, Council Member

SUMMARY MINUTES

[Each item on the agenda was subject to presentation, discussion, and possible direction from Council. All agendized times in the left column are approximates only. Actual times are included in the body of the minutes.]

**Wednesday,
February 19
at 3:00pm to
5:00pm**

3:00PM - **Call to Order/Roll Call**
3:10PM

Mayor Post called the meeting to order at 3:06 PM and directed the Town Clerk to call the roll. **Council Member Murphy** was absent. All other Council Members were present, constituting a quorum. Staff present included **Town Manager Terry Rozema, Deputy Town Manager Erik Montague, Assistant Town Manager Andrea De La Cruz, Town Attorney Jane Fairall, Town Clerk / Assistant Town Attorney David Udall, Finance Director Yiannis Kalaitzidis, Public Works Director Fausto Burruel, Development Services Director Jason Angell, and Water Director Heidi Lasham.** Also present for the first item was

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Chandler Mayor Kevin Hartke and City Manager Joshua Wright. Present for the second item was **Mr. Danny Court, Principal & Senior Economist at Elliot D. Pollack & Company.**

Welcome to City of Chandler

By: Mayor Kevin Hartke and City Manager Joshua Wright

Mayor Post welcomed **Mayor Hartke** and **Mr. Wright**.

Mayor Hartke welcomed everyone and said he was honored the Council would choose to come to Chandler for the retreat. He said that he and **Mr. Wright** attended the late **Mayor Ed Honea's** memorial services and that his passing came as a shock.

Mayor Hartke said he believes Arizona is a desirable location. He said Marana is a great place to live, well positioned in its location, had the advantage of being a first-tier suburb, and was well positioned for companies looking for better tax policies and favorable regulations. He thanked **Council Member Cavanaugh** for attending Chandler's State of the City recently.

Mayor Post thanked **Mayor Hartke** for the information he and **Mr. Wright** provided regarding data centers during last year's Council retreat. **Mayor Post** said the Town would have been woefully unprepared without that information and that Town staff has since spent time looking around the country and has established good development guidelines related to data centers. He said that would not have happened without the information provided last year. Discussion ensued related to data centers, their competition with facilities that provide jobs, the large amount of power they consume, and their attempts to creatively circumvent code provisions intended to regulate their placement.

Mr. Wright said it was a joy to have the Town in Chandler and thanked the Council and staff present for being there. He said he hopes it becomes a new tradition. He said they are always happy to share the lessons Chandler has learned and the resources they have and want to see Marana be successful. He explained he started his career as a Marana intern almost 20 years ago and looks to many in Marana as mentors and advisors.

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Mr. Wright said Marana and Chandler share similar visions. He said both Chandler and Marana know who they are and are proud to go their own way, even when decisions may initially be unpopular. He said Chandler has had a similar vision for many generations, and that many initiatives currently in effect that make Chandler successful were set forth many years ago and were unpopular at the time. He said that kind of foresight pays dividends, even if we are not around to see it.

Clarifying questions were asked and answered during **Mayor Hartke** and **Mr. Wright's** remarks, including regarding the state of the Intel company and semiconductor manufacturing in Chandler.

Mr. Rozema and **Mayor Post** thanked **Mayor Hartke** and **Mr. Wright**.

3:10PM - **State Financial Outlook: Overview of key trends and insights into**
4:10PM **fiscal health and economic projections**
By: Danny Court, Principal & Senior Economist at Elliott D. Pollack & Company

[Actual start time was 3:22 PM.]

Mr. Court presented on this item. A copy of the presentation slides is on file with the Town Clerk's Office. **Mr. Court** first provided an overview of the economic outlook in the United States generally, including the following (note that several statistics, charts, and graphs related to the following are available in the presentation slides):

- Whether the United States economy can still achieve a "soft landing."
- Employment and unemployment trends.
- Labor force participation trends.
- Wage growth trends.
- Real Gross Domestic Product (GDP).
- Recession indicators.
- GDP growth versus deficit spending.

Mr. Court said that over the last three years, the national economy has been built on a base of soft sand, and that massive deficit spending has helped fuel the economy. He said it will take skillful management to avoid problems going forward. Overall, 2025 is expected to be a solid

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year, but potentially choppy depending on government actions. He said no recession was expected this year unless a “black swan” event occurs.

Mr. Court next provided an overview of the economic outlook in the State of Arizona, including the following (note that several statistics, charts, and graphs related to the following are available in the presentation slides):

- Arizona is fifth in the nation when it comes to year-to-date job growth in 2024 versus 2019.
- According to the Arizona Commerce Authority’s Fiscal Year Economic Development Results, Arizona has attracted companies from across the United States and the world since 2021.
- Employment and unemployment trends.
- Population growth and population forecasts.
- Local housing (summary included below).
- Income and affordability.
- State finances (fiscal year 2024 revenues were \$425 million above what was forecast and sales tax revenue expected to grow 3.1% in fiscal year 2025 and 3.7% in fiscal year 2026).

Mr. Court summarized the local housing market. He said that single family housing is under pressure due to affordability issues coupled with high interest rates. He said new home building is better than expected, and that it was likely to continue (with smaller lots/homes going forward). He said that existing home inventory remains low but is increasing. He said declining affordability of homeownership is creating a shift towards more renters.

Mr. Court said that in the near term, we could expect moderating interest rates, modestly slower population growth, slower but solid employment growth, more attached housing/small lot development, continued rate buydowns for new home builders, and apartment rent growth slowing due to higher supply coming into the market. He said the long-term outlook for the Arizona greater Phoenix area is very good, and provided supporting information as follows:

- Arizona will continue to grow more rapidly than the rest of the country.

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- Water will hopefully be resolved as usage becomes more efficient, especially for residential and industrial (with less usage in agriculture and landscaping).
- Housing affordability will improve via interest rate relief and density.
- Economic development activity will continue to thrive. Arizona will create more jobs and employ more population inflow than most places.
- Housing will cycle up. Mix of owners and renters is unknown.
- Arizona's growth prospects have always been good and have become even better over the last several years.

Clarifying questions were asked and answered during the presentation. For more detailed information, including statistics, graphs, tables, and charts, please see the presentation slides.

Mayor Post and Council Members thanked **Mr. Court** for the presentation. **Mr. Court** said Marana is well positioned. **Mayor Post** said that Pinal County is anticipated to triple in size over the next 30 years and is expected to surpass Pima County in population by 2050.

4:10PM - **Preliminary financial outlook for FY 2026 and discussion regarding**
5:00PM **options and challenges for funding growth**

By: Yiannis Kalaitzidis

[Actual start time was 4:14 PM.]

Mr. Rozema said **Mr. Court** was brought in to provide the big picture and that now **Mr. Kalaitzidis** would zero-in on Marana. **Mayor Post** said that tomorrow, needed projects in the Town would be discussed, and that **Mr. Court's** presentation highlighted that significant growth was on the horizon and the Town needs to be ready for it.

Mr. Kalaitzidis presented on the preliminary financial outlook for the Town in the upcoming fiscal year, including the following:

- FY2026 budget preliminary outlook, which consisted of a 7.8% positive change when considering changes in sales tax revenue, shared income tax, and license, permit, and fee revenue.

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- There is projected \$7.9 million of new ongoing revenue. When adjusted for a Marana Aquatics and Recreation Center (MARC) placeholder, health insurance and workman's compensation increases, and performance pay adjustments, there is approximately \$3.6 million in new ongoing revenue leftover.
- The Town's current available reserve in the General Fund, excluding \$20.2 million in rainy day funding, consist of \$66.1 million. When already earmarked projects are taken into account, the available reserve leftover is \$22 million of the \$66.6 million.
- Current debt and debt paydown schedules (see the presentation slides for graphical information).

A copy of the presentation slides is on file with the Town Clerk's Office. Clarifying questions were asked and answered during the presentation. For more detailed information, including statistics, graphs, and tables, please see the presentation slides.

Mr. Rozema highlighted that one of the reasons the available reserves portion of the presentation was important was due to the discussions that would take place the following day. He said there are many needs in the Town, and that the Council would get to participate in an exercise after the following day's presentations, in which they would use maps to consider projects the Town has on the horizon and identify the most important projects to focus the Town's resources on.

Council Member Comerford said there were lots of ways we could spend the new ongoing revenue. **Mr. Rozema** said that the MARC placeholder did not factor in revenue generated from the MARC, which would depend on the number of memberships, so the leftover new ongoing revenue number could potentially be higher. **Vice Mayor Ziegler** said she thought the MARC would be successful.

Council Member Comerford asked how the new position presentation went. **Mr. Rozema** said 39 new positions were requested by departments in total and that staff did a good job in presenting. **Council Member Comerford** said she was not surprised at the rate the Town was growing.

Discussion ensued related to minimizing exposure to the General Fund, impact fees and utility hook-up fees, water rates, anticipated settlement monies from the PFAS litigation, and the limits to utilizing impact fees

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resulting from the Southern Arizona Home Builders Association (SAHBA) litigation.

Mayor Post asked how much debt the Town could take on from an actual payment standpoint. **Mr. Kalaitzidis** estimated around \$50 million per year if current projections remain unchanged. He said this assumes it would come straight from the General Fund and that there would be no department growth, raises, etc. He said this would also assume the economy remains strong.

Discussion ensued related to the possibility of raising utility and/or construction sales tax or finding other ways of funding infrastructure needs so the Town does not face the same SAHBA impact fee scenario again. **Mayor Post** said further discussion on this issue would need to be had in the future.

Mayor Post asked for a motion to adjourn the meeting for the day.

Council Member Comerford so moved. Council Member Kai seconded the motion. Motion passed, 6-0.

[The meeting adjourned for the day at 5:24 PM.]

**Thursday
February
20 from
8:15am to
5:00pm**

**7:30AM -
8:15AM**

Breakfast at Hotel

Mayor Post welcomed new **Council Member Teri Murphy**.

**8:15AM -
9:00AM**

Call to Order/Roll Call

Mayor Post called the meeting to order at 8:22 AM and directed the Town Clerk to call the roll. All Council Members were present, constituting a quorum. Staff present included **Town Manager Terry Rozema, Deputy Town Manager Erik Montague, Assistant Town Manager Andrea De La Cruz, Town Attorney Jane Fairall, Town Clerk / Assistant Town Attorney David Udall, Finance Director Yiannis Kalaitzidis, Public Works Director Fausto Burruel, Development Services Director Jason**

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Angell, Economic Development Director Curt Woody, Parks and Recreation Director Jim Conroy, Parks and Recreation Deputy Director Wayne Barnett, Water Director Heidi Lasham, and Water Resources Administrator Jerry Huerstel.

Private Development: Update and discussion regarding private development projects throughout the Town

By: Jason Angell

Mr. Angell provided updates on private development projects throughout the Town, including the following:

- Development in the southern portion of Marana, including Amavia Marana, Solstice Living, the Alexander Apartments, and the Summerstone development.
- Development in the central portion of Marana, including several projects surrounding the Tucson Premium outlets, the Safford Apartments, the Cascada development, American Homes for Rent, and the Saguaro Bloom development.
- Development in the northern portion of Marana, including Dairy Queen, KFC, Dunkin, Taco Bell, Pima Federal Credit Union, Burger King, Valvoline, Tortolita Phases 1 and 2, the Monarch development, the Stonegate development, the Mandarin development, the Dove Mountain development, and development projects along the Twin Peaks Corridor (Twin Peaks Crossings, Enclave at Twin Peaks, Tavira at Twin Peaks, and Twin Peaks Vista).

A copy of the presentation slides is on file with the Town Clerk's Office. Discussion ensued related to particulars of some of the developments, and clarifying questions were asked and answered during the presentation. For more detailed information, including maps and images, please see the presentation slides.

Mayor Post asked if the town had any development guidelines related to odors. **Ms. Fairall** and **Mr. Angell** said the Town currently does not have any regulations related to odor mitigation, but they could take a look at the relevant specific plan(s) to see if such regulation existed there.

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9:00AM - Transportation Projects and Planning: Update and discussion of
10:00AM current transportation projects and discussion regarding future
projects

By: Fausto Burruel

Mr. Burruel said that at the end of the day, the Council would have the opportunity to do a “Sim City” exercise to explore where development should go along with the infrastructure needed to support it. He said Public Works would begin providing the Council with quarterly updates regarding the Town’s infrastructure projects. He then provided updates on current transportation projects throughout the Town and the need for future projects, including the following:

- Major accomplishments, including the completion of the Transportation Master Plan, the new Capital Improvement Projects (CIP) Portal, grant funding applied for and/or received for the Cortaro, Moore, and Marana interchange projects, and the completion of several transportation projects, including:
 - The Lon Adams reconstruction project.
 - The Shared Use Path – CalPortland segment.
 - ADA compliance project.
 - Pavement assessment (for a graph showing the quality of Marana’s roads, please see the presentation slides).
 - Pavement preservation.
- New road recommendations stemming from the Transportation Master Plan (for details and a map, please see the presentation slides).
- Major transportation projects underway, including the following:
 - Twin Peaks/Rattlesnake Pass Widening (for more information regarding the project, including a map and images, please see the presentation slides).
 - Tangerine Road Widening 2A (for more information regarding the project, including a map and images, please see the presentation slides).
 - Tangerine Traffic Interchange Improvements (for more information regarding the project, including a map and images, please see the presentation slides).
 - Dove Mountain Blvd. Signal project (for more information regarding the project, please see the presentation slides).

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- Tangerine Farms Road Extension (for more information regarding the project, including a map and images, please see the presentation slides).
- Adonis Road Extension Phase II (for more information regarding the project, please see the presentation slides).

Mr. Burruel then provided an update and presented on future traffic interchange needs, including:

- The Cortaro Road interchange needs (the project is identified in RTA Next – see presentation slides for details, but note the current estimated construction cost has risen from \$220 million to approximately \$300 million).
- The Tangerine Road interchange needs (the project is also identified in RTA Next – see presentation slides for details, but note that the current estimated construction cost has probably risen from the estimated \$158 million noted in the slides).
- The need for a Moore Road interchange (see presentation slides for details).

A copy of the presentation slides is on file with the Town Clerk's Office. Discussion ensued regarding the particulars of certain projects, including project costs, funding, and scheduling. Clarifying questions were asked and answered during the presentation. For more detailed information, including maps and images, please see the presentation slides.

Mr. Burruel asked if these interchanges were still a priority and invited discussion on that question and on the question of what to do if RTA Next did not pass.

There was a consensus among the Council that these interchanges were still a priority.

Mayor Post suggested that the discussion on RTA alternatives probably could not be addressed in this meeting given the time constraints. **Mr. Rozema** said that the City of Tucson has a vote related to raising funds on its own in March, and that if its initiative does not pass, the City may be willing to compromise at that point. **Vice Mayor Ziegler** recommended that strong representation is needed at the PAG RTA meetings to ensure Marana is getting its fair share of funding. She said representation in the past has not allowed Marana to receive what it was

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entitle to. **Mayor Post** agreed and said the Town cannot keep letting that happen. **Vice Mayor Ziegler** said another option is to establish an RTA that does not include the City of Tucson. **Mr. Rozema** said these were great points, but agreed with **Mayor Post** that there was not sufficient time to discuss this issue in detail during this meeting.

Mayor Post recommended considering taking the Adonis Road Extension project off of the books until the condemnation lawsuit with Mandarinina is resolved, since that project does not currently benefit the Town. **Mayor Post** also recommended that, in light of vastly increasing construction costs over time, when development agreements come to the Town, the Town should no longer tie specific dollar amounts to infrastructure the Town is requiring developers to build. He said that instead, developers need to be required to pay for a percentage of required projects so the Town does not eat the overages. **Vice Mayor Ziegler** agreed. She said the Town used to be okay with doing this because of the stability of the economy, but that the Town cannot afford to do it anymore.

10:00AM -
10:15AM **Morning Break**

[Actual break time was from 10:18 AM until 10:30 AM.]

10:15AM - **Drainage Planning and Projects: Discussion regarding planning for**
11:15AM **growth, challenges, drainage assets and maintenance, and related**
topics
By: Fausto Burruel

Mr. Burruel said that drainage was a necessary evil – expensive infrastructure not thought about until needed when rain events occur. He said the Town is actively pursuing not taking on more drainage infrastructure that it would be required to maintain. He presented on drainage planning and projects, including the following:

- The addition of a new Stormwater Section to the Streets Division that is devoted to maintaining drainage maintenance.
- Drainage accomplishments, including the MMC Drywells Project, the Ina Road and Old Father Vegetation Removal Project, the Sandy Desert Trail and Cortaro Farms Road Catch Basin Project, and the receipt of herbicide certifications by Town staff.

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- Operation maintenance for drainage needs, including equipment needs, staff, and costs.
- Current drainage assets throughout the Town, which the Town is responsible for maintaining (for statistics and locations, please see the presentation slides).
- The need for the following future major drainage projects: the Barnett Channel and the Marana Channel (see the presentation slides for additional information, including maps and concept plans, the benefits, options, and and costs for each project, and possible funding opportunities).

A copy of the presentation slides is on file with the Town Clerk's Office. Discussion ensued related to the particulars of some of the Town's drainage assets, including questions regarding what the Town owns, strategies for mitigating the Town's expenses in maintaining it, and how to fund it. Clarifying questions were asked and answered during the presentation. For more detailed information, including maps and images, please see the presentation slides.

Council Member Kai asked if inmate labor was being utilized to help maintain drainage in the Town. **Mr. Burruel** said that was not an option at the time. **Vice Mayor Ziegler** asked if drainage would need to be a line item in the Town's budget. **Mr. Burruel** confirmed it would need to be, and said how drainage was funded was a question for the Council to consider. **Mayor Post** said, from a drainage design perspective, he would not like the Town to have to maintain drainage architectural features.

Mr. Burruel invited feedback regarding the Barnett and Marana Drainage Channels and asked whether the Town should make concerted efforts towards these. **Vice Mayor Ziegler** said she is all in for the Barnett Channel. **Mr. Burruel** said the Town could spend approximately \$700,000.00 for a design-concept report (DCR) to get the project to approximately 30% design in order to determine what actual costs would be for the Barnett Channel. He said Town staff was looking at doing this in fiscal year 2026.

Vice Mayor Ziegler asked if the Town could require developers to build the linear park associated with the Barnett Channel. **Council Member Officer** said the Town missed the boat on many of the developers because they have already developed. **Mr. Burruel** said the Town could require such going forward, and that if a linear park is being considered,

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Pima County may also be willing to partner with the Town to help fund the project.

Mayor Post said the most important thing right now is completing the DCR so the Town can start shopping for funding. **Mr. Rozema** said that is exactly right. **Mr. Montague** commented that rather than the dollars driving the program, the program should drive the dollars.

Vice Mayor Zigler said a cost-benefit analysis would be good regarding these large drainage projects. **Mr. Burruel** said these projects would bring development in North Marana out of the floodplain and allow for more developable space. **Mr. Rozema** said the Town likely lost Seargent Control because these projects were not in place and there was too much uncertainty regarding the expense of installing their own drainage. **Mayor Post** said the Town is ten to 15 years behind on this and that the designs need to be in our next budget. **Vice Mayor Ziegler** agreed that we needed to get these projects going.

Mr. Burruel invited Council feedback regarding how drainage should be funded in the Town. **Mayor Post** asked if there was a drainage impact fee. **Ms. Fairall** said there currently was not. **Mayor Post** commented that because much of the drainage cost was maintenance expense, it may be better to have a utility fee rather than an impact fee. **Mr. Burruel** said other options included creating a stormwater utility fee, funding from the General Fund, grants, partnering with the Pima County Flood Control District, and a special assessment. Please see the presentation slides for additional details. **Mayor Post** said it was not a good idea for the Town to create its own flood control district.

The Council complemented **Mr. Burruel** on his presentations.

11:15AM -
12:00PM

Parks and Recreation: Update on Parks and Recreation projects and discussion regarding future projects

By: Jim Conroy

[Actual start time was 11:21 AM.]

Mr. Conroy provided an update on Parks and Recreation projects, including the following completed projects:

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- Honea Park Phase I.
- El Rio Preserve – Viewing Platform and CMID Connection.
- Gladden Farms Community Soccer Fields.
- Pole Barn Restoration Project.
- Gladden Farms Community Park Dog Park and Entrance.
- Loop improvement behind Amazon.
- Tortolita Preserve (new entrance, parking lot, and fencing).
- Gladden Farms Baseball Fields.
- Central Arizona Project (CAP) Trailhead off of Tangerine Road and Interstate 10.
- Crossroads Loop Connection.
- Cal Portland Shared Use Path (SUP).

Mr. Conroy also provided updates on the following projects:

Projects Under Construction 2025:

- The MARC.
- Saguaro Bloom Park Phases I and II.
- El Rio Disc Golf Course and Parking Lot.
- Tangerine Sky Park Phase II and Splash Pad.
- Honea Heights Neighborhood Park Phase II.

Design 2025:

- Removal of Marana Pool Complex and Ora Mae Harn Park Master Plan.

Design 2026:

- Heritage Park Shipping Container Food Court.
- Ora Mae Harn Park Expansion.
- Heritage House Rehabilitation.

Construction 2026:

- Ora Mae Harn Park Pool Removal.
- El Rio Lake Water Quality Project.

Construction 2027:

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- Gladden Farms Community Bike Park and Food Court Project.

A copy of the presentation slides is on file with the Town Clerk's Office. Clarifying questions were asked and answered during the presentation. For more detailed information, including maps, images, and statistics, please see the presentation slides.

Vice Mayor Ziegler commented that the MARC is the first community driven project. She said that the community survey results clearly showed this is what the people wanted. **Mayor Post** recommended that a good topic for the Council to discuss down the road would be the possibility of utilizing the half-cent sales tax to fund future recreation projects. **Vice Mayor Ziegler** and **Council Member Kai** said the Council told the public they would be sunseting the sales tax. **Mayor Post** said he was not recommending that the Council not sunset the tax, but that the Council keep this option in mind going forward. **Mr. Rozema** said it was something to keep in mind since the Town has been able to successfully employ it for large projects, and the Town has several large projects, such as interchanges, in its future.

12:00PM - **Lunch at Hotel**
1:00PM

1:00PM - **Water and Water Reclamation: Update and discussion regarding water**
2:30PM **resources, water/water reclamation infrastructure long-range**
and system-wide planning, water quality issues, and funding
challenges

By: Heidi Lasham & Jerry Huerstel

[Actual start time was 1:02 PM.]

Mr. Huerstel provided information regarding how the Water Department prepares for the Town's development, including through its water resource endeavors, water and water reclamation infrastructure, efforts to mitigate or eliminate water quality challenges, and efforts to address funding challenges. He provided an update on the Town's water resources, including:

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- An update on the state of the Colorado River. In 2025, Arizona will remain in a Tier 1 Shortage.
- An update on the 2025 Marana Drought Stage, which is at Stage One (Low).
- Information regarding the Town's 2024 Designation of Assured Water Supply (DAWS) Modification, which was increased to 15,353 acre-feet per year. **Mr. Huerstel** also provided a breakdown of the Town's use of groundwater, long-term storage credits, reclaimed water, and CAP water. Please see the presentation slides for details.
- Information regarding the past, current, and projected Central Arizona Ground Water Replenishment District (CAGRDR) rates. **Mr. Huerstel** provided possible solutions to mitigate the Town's reliance on CAGRDR water, including leasing Bureau of Reclamation (BOR) effluent, increasing the Marana Wastewater Reclamation Facility (WRF) and recharge basins' capacity to recharge more wastewater, and obtaining surface water from the Cortaro-Marana Irrigation District (CMID). Please see the presentation slides showing a concept DAWS Water Portfolio with renewable alternatives for more details.
- An update regarding the Town's DAWS outlook. Please see the presentation slides for detailed graphical information.
- Information regarding the Town's efforts to obtain an effluent lease with the BOR and an associated Santa Cruz River Diversion Project, together designed to increase the Town's renewable portfolio.

Ms. Lasham presented on water and water reclamation infrastructure in the Town, including the following:

- Long-range/system-wide planning, including finalizing the Sewer Master Plan and starting a Water Master Plan.
- An update related to the Town's sewer capacity assurance (please see the presentation slides for detailed graphical information).
- An update related to the current capacity of the WRF, its Phase II expansion with an estimated completion date in Fiscal Year 2028, and its future Phase III expansion.
- An update on the North Marana Sewer Interceptor Project designed to provide additional sewage capacity to the North Marana Sewer System.

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- An update on the Marana Park Reservoir/Well Project designed to provide an additional water source and storage and pumping capacity for domestic and fire flows.

Ms. Lasham also provided an update on water quality challenges in the Town, including the following:

- An update related to PFAS detection before and after treatment (see the presentation slides for relevant graphs).
- An update related to 1,4 Dioxane detection before and after treatment (see the presentation slides for relevant graphs).
- Well systems impacted by PFAS, including the Marana Park Well, the Gladden Farms Well, the Sandario Well, the Pioneer Well, and the Heritage Park Well. Existing treated wells include the Airline Lambert and Picture Rocks Wells. Wells taken offline due to PFAS contamination include the Honea Park East Well and the Honea Park West Well.
- A list of existing and proposed PFAS treatment sites, including their prioritization for installation, related funding and development timeline information and challenges, and compliance schedules. Please see the presentation slides for details.

A copy of the presentation slides is on file with the Town Clerk's Office. Clarifying questions were asked and answered during the presentation. For more detailed information, including maps, images, graphs, and statistics, please see the presentation slides.

Council Member Comerford expressed dismay at the CAGR rate increases. **Mayor Post** said that CMID could provide the Town with surface water that could be used anywhere in the Town much cheaper than CAGR. **Vice Mayor Ziegler** asked how much it would cost and whether it would need to be another line item in the budget. **Mayor Post** said he was not sure if the water could be transferred on paper or if it would need to be transferred physically. He said the Arizona Department of Water Resources (ADWR) says it can already do this, but CMID is not confident enough to trust that alone and that is why a related bill is being pushed in the Arizona State Legislature. Discussion ensued regarding two water-related bills pending at the Legislature.

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Ms. Lasham asked if the Council would be okay with the Town converting a public water feature at the WRF into an additional recharge facility. **Mayor Post** said the water feature was not a smart idea to have out there. **Council Member Comerford** concurred, recommending the Town get rid of the water feature. There was a consensus among the Council to proceed accordingly.

Mayor Post asked if at some point the outfalls from the water treatment facility would need to be treated for PFAS. **Mr. Huerstel** said that would likely happen at some point in time, but that because PFAS would be in the aquifer for decades and centuries to come, it was high priority to treat it there first to ensure the potable water supply was addressed. **Mayor Post** asked if the Town could drill deeper and draw water that was not affected by PFAS. **Mr. Huerstel** said that is possible, but that the deeper one drills, the more likely the water supply would be contaminated by arsenic. He explained there was a sweet spot for well depth – any higher would risk nitrate contamination, lower risks arsenic. The problem is the sweet spot is now contaminated with PFAS.

Ms. Lasham asked the Council how the Town should approach 1,4 Dioxane treatment since it currently is a non-mandatory health advisory. She asked if the Town should treat for it in future treatment plant construction when the health advisory reaches a determined level or if the Town should wait until a maximum contaminant level (MCL) number is mandated by the Environmental Protection Agency (EPA). **Mayor Post** asked what the Town's target was for 1,4 Dioxane. **Mr. Huerstel** said the Town's target was just below the health advisory.

Discussion ensued among Council Members and staff regarding funding challenges. **Mayor Post** asked if the Department was including the PFAS treatment plants in its recently initiated rate study. **Ms. Lasham** said the Department did include the plants. **Mr. Montague** said the Town was looking at ways to try and not have water customers bear the cost of the treatment, since known bad actors were involved in causing the problem. **Mayor Post** said that Tucson Water will probably include those costs in its customers' rates. **Mr. Montague** said the Town was looking at what would be appropriate to include and what would not be appropriate. **Vice Mayor Ziegler** asked if Marana residents would pay for some of the costs for PFAS mitigation, and **Mr. Montague** confirmed they would.

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- 2:30PM - **Afternoon Break**
2:45PM

[Actual break time was from 2:20 PM until approximately 2:35 PM.]

- 2:45PM - **Development Priority Exercise: Interactive session with Town Council**
5:00PM **to identify key projects and priorities for development in North Marana**

By: Terry Rozema & Jason Angell

Mr. Rozema and **Mr. Angell** explained the Development Priority Exercise to the Council. The Council was divided into two groups consisting of **Mayor Post, Council Member Murphy, Council Member Cavanaugh,** and **Council Member Officer** in the first group and **Vice Mayor Ziegler, Council Member Kai,** and **Council Member Comerford** in the second group. Each group was provided with a map of North Marana and was instructed to imagine this area of the Town devoid of any zoning entitlements or existing development. They were invited to think creatively about how they would plan out North Marana based on the information received at the retreat thus far. They were also instructed that money was not an issue for purposes of this exercise.

Each group then spent time discussing and demarcating their maps in accordance with the instructions provided. Afterward, each group presented on their maps as follows:

- **Council Member Murphy** began presenting on behalf of the first group. She said her group located a lot of commercial development along the freeway. Other development included a college and satellite campus, multi-use arena that could be utilized as sports fields, for concerts, and other events, and a mixture of high-density and low-density housing opportunities, including low-income housing. **Council Member Cavanaugh** said that **Mayor Post** came up with the idea of a convention center and water park and said that they demarcated pedestrian areas to connect to the Loop for walking and biking. He also said it would be important to tie in roads toward high-density housing. **Council Member Officer** said their group located restaurants in the area.
- **Vice Mayor Ziegler** began presenting on behalf of the second group. She said their group located a cemetery on the map and

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crossed out the Moore Road interchange to put the money toward the Barnett Channel. **Council Member Kai** said they demarcated the Barnett and Marana Channels and said transportation was important. **Council Member Comerford** said they included the bike park introduced to the Council by the Town Manager at the Council Retreat in the Fall. She said they also included affordable housing, an event center, and restaurants.

A similar exercise was done by the Town's Executive Leadership Team recently, and **Mr. Angell** said that the top recommended development priorities recommended by Town staff resulting from that exercise were the WRF expansion as number one and Moore Road Interchange as number two.

Discussion about prioritizing development in North Marana then ensued, a summary of which is as follows. Clarifying questions were asked and answered during the discussion.

- **Mayor Post** commented as a result of this exercise that he realized how much high density it takes to attract commercial businesses in Marana. He cited the Fry's store at Gladden Farms as an example. He recommended that this exercise be done again with a bigger map of Marana, perhaps electronically with the Town's GIS system.
- **Vice Mayor Ziegler** said she would now be vigorously championing the Barnett Channel. **Mayor Post** agreed that such drainage was important, but he said that at this point, by the time the Barnett Channel is built, North Marana will be built out and therefore the drainage would be unnecessary. He said that, even now, developers in North Marana were coming in and building their own drainage on their own properties and asked if the Barnett Channel would ever become a reality. He said that, once the Barnett Channel was built, all of the other drainage facilities already constructed would be rendered obsolete. **Mr. Rozema** said that Mayor Post made a good point, and said that the reason for completing a DCR on this project sooner than later would allow the Town to know what the cost would be and whether Pima County would come to the table with funding. He said the DCR would allow the Town to evaluate the benefits and feasibility of the Barnett Channel to determine if it is worth it. He said it

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would also allow the Town to communicate with developers what the cost is, what the plan is, whether the County would contribute, and what developers would be required to contribute. **Mr. Rozema** said the Barnett Channel would also provide North Marana with a linear park, which is a benefit to the Town. **Vice Mayor Ziegler** said the Town is growing fast whether the Channel is constructed or not and that if the Town does not act on the Channel now – even potentially getting a loan to front the money to build it as soon as possible – that 26,000 homes are going to be built and the Barnett Channel will not do the Town any good. **Council Member Officer** said the Barnett Channel must be constructed for development in North Marana. **Mr. Rozema** said the Barnett Channel affects the whole northern area and removes it from the floodplain. **Mayor Post** agreed. **Mr. Burruel** said the Barnett Channel would also need to be constructed prior to the Marana Channel for the system to work. **Council Member Ziegler** asked if she was putting too much emphasis on the Barnett Channel, and a consensus of the Council was that she was not. **Vice Mayor Ziegler** said the Town should then start finding money for the Channel. **Ms. Fairall** said that is why the Town is doing the DCR, which will determine the cost. **Mr. Burruel** said the DCR will also provide details regarding what the project will look like. **Vice Mayor Ziegler** said the Town needs to do the DCR as soon as possible. **Mr. Rozema** said it would start next Thursday.

- **Mayor Post** asked **Ms. Lasham** how the Town was planning to get water from certain contaminated wells to centralized treatment plants. **Ms. Lasham** said the Department has not designed plans for that yet, but one possibility would be to send the pipes underneath pavement within the Town's already existing right-of-way. **Mayor Post** said that would be expensive and **Council Member Comerford** said that would be a mess.
- **Mayor Post** asked how the Town can tell developers that a product it may be bringing is not what the Town wants. He said the Town has not really done that yet. **Mr. Rozema** and **Ms. Fairall** said the Town can do that to a degree, but if the developer already has zoning entitlements, then the Town likely cannot say no. The Town can say it does not like a product in that scenario, but it cannot deny it if it already has zoning entitlements. **Mr.**

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Angell and **Mr. Rozema** said it will not be an issue for developers if the Town is wanting more high density. **Mr. Angell** said one of the topics for the next day was how to diversify housing in Marana beyond single family homes and apartment complexes – such as town homes, duplexes, etc. He said if the Town should ask developers what else they have to offer, since many offer several other housing products in other parts of the country. **Mr. Rozema** agreed and said many of them don't have a good answer for why they are not building their other products here. **Vice Mayor Ziegler** asked if the Town could require developers to bring other products through regulation. **Mayor Post** said that zoning entitlements normally do not call out building aesthetics. **Ms. Fairall** said zoning typically requires developers to comply with the Town's building code standards in place at the time they actually build. **Mayor Post** said the Town then needs to change its code. **Mr. Angell** said staff are currently looking at that. **Mayor Post** said the Town needs to start telling developers the Town needs a middle-ground product (not homes or apartment complexes). **Council Member Cavanaugh** recommended tiny homes clustered together, and **Mayor Post** recommended they be labeled casitas instead of tiny homes. **Mayor Post** said casitas should not be spread all over town though and should be concentrated downtown. He said other housing products could then be located outside a radius of high-density downtown living. **Mayor Post** asked if the Town could do percentages – meaning the Town would allow, for example, 25% of a development to be a certain density. **Mr. Angell** said many communities have density bonuses. For example, if a developer does something the city or town requests, the developer will then receive a certain percentage of density allowance in its development.

- **Mr. Rozema** said the approach outlined in the bullet immediately above is a departure from what the Town has told developers in the past. In the past, high density was discouraged by the Council and large lots were encouraged. Now, the Council is considering encouraging high-density housing products in certain locations in the Town. **Vice Mayor Ziegler** said that the Town had a certain vision over the last 20 years, and that now was the time to re-educate developers on the Town's visions going forward. **Council Member Comerford** agreed that times have changed. **Council Member Officer** said he was in favor of a diversity of different

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housing options to provide to the families in Marana. He said he liked **Mayor Post's** percentage idea. **Mr. Angell** and **Vice Mayor Ziegler** said that when the Town engages with developers, specific products should be inquired about because different communities in the Town have different housing needs and desires. Discussion ensued related to housing needs changing with life expectations as people's circumstances change. **Mayor Post** said the Town has not been providing options to the community, and that needed to change. **Council Member Officer** and **Mayor Post** commented that higher density was needed to support businesses and restaurants, and that currently, not enough people were living in the Town to provide the necessary support for what is desired.

- **Mr. Angell** asked how the Town could position itself to be proactively ready for growth rather than reactive. He provided as an example of a reactive approach the issues of congestion now facing the Tangerine Interchange. He asked how the Town could get out in front of development and guide development. **Mayor Post** asked how the City of Chandler pays for major infrastructure projects. **Mr. Montague** said the City has a property tax. **Mayor Post** said he was willing to invest in the Town's future by building strategic infrastructure to attract development and tap into its reserve fund to do so. He asked how quick the return on investment would be.
- **Vice Mayor Ziegler** said that, in the past, the Council's philosophy was that developers needed to pay their own way. She said that, when she was a new Council Member, her mindset was, "If you build it, they will come," but the Council did not want that approach at that time. **Council Member Comerford** said that in the past, it was very difficult for the Town to get money out of development and that the Town did not have the reserves that it has now. **Council Member Kai** said Marana was spoiled because developers in the past built major roads (such as Tangerine Road and Dove Mountain Boulevard) before they constructed homes, etc. **Vice Mayor Ziegler** said the Town now had the funds to invest. **Mayor Post** said this was a fantastic conversation for the Council to have: Should the Town fundamentally change the way it does business by investing strategically in certain things to attract development in certain areas?:

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- There was a consensus among the Council to do so. **Council Member Comerford** reiterated that times are changing. She said it was now time for the Town to strategically invest in the community. **Mr. Montague** provided Twin Peaks Road as an example. He said development happened quickly in that area once the road was put in by the Town.
- **Mr. Angell** recommended that the Council develop a list of its most important investment projects. He said that if another project came along, the Council could then ask itself whether one of the priority projects was worth moving down the priority list. **Mayor Post** asked those in the room what two projects they would choose as investment priorities in North Marana:
 - **Mayor Post, Council Member Officer, Mr. Montague, and Mr. Rozema** said their first project would be the Tangerine Farms Road Extension followed by the Barnett Channel. **Mayor Post** said the Barnett Channel makes the top of the list for him because of what the Town is wanting to do with its downtown project.
 - **Council Member Murphy, Ms. Fairall, Mr. Burruel, and Council Member Cavanaugh** said their first project was the Barnett Channel followed by the Tangerine Farms Road Extension.
 - **Council Member Kai** said his priority project would be the Main Street Extension.
 - **Vice Mayor Ziegler** said her first project would be a data center north of North Marana and an associated Lockett Road connection followed by the Barnett Channel. She later said the Barnett Channel should be first priority.
 - **Council Member Comerford** said her first project would be the Tangerine Farms Road Extension and drainage.
 - **Ms. Lasham** said her priority project would be the Clark Farms Sewer project.
 - **Mr. Woody and Mr. Udall** said their first project would be Tangerine Farms Road Extension followed by the Marana Main Street Extension for downtown connectivity.

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- **Mr. Woody** said it was very important for the Town to get wastewater onto the east side of the freeway. **Mayor Post** asked if the Town needed to send sewer lines under the freeway again to make this happen and asked if the pipes on the west side of the freeway had enough capacity to receive the additional flows. **Ms. Lasham** confirmed that was the plan and said it was likely the Town would need to upsize its existing infrastructure to receive the flows. **Mr. Montague** said the previous sewer master plan only focused on portions likely to be developed, and the Town is now looking at the whole system to address the issue, including downstream sizing conveyance requirements. **Mayor Post** asked if the Town could install a package sewer plant on the east side of the freeway instead. He said conveying flows under the freeway sounded expensive at this point. He asked what the savings to the Town would be if it installed a package plant on the east side of the freeway instead of sending the flows under the freeway to the west-side sewer system. **Mr. Rozema** said that was a good question, and **Mayor Post** said the Town should take a look into it. **Mayor Post** said that, similar to the drainage issues, this issue should have been addressed ten to 15 years ago, and that if the Town didn't act soon, the only option left would be for the Town to go under the freeway again. **Mr. Montague** said part of the calculation here was the water credits available from recharging the wastewater at the Town's recharge basins on the west side. **Mayor Post** asked if the Town could construct another recharge basin on the east side, and **Mr. Montague** said the Town's consultant could look into it.
- **Mr. Angell** said that one approach the Town could take was to act as the bank – meaning it would front certain infrastructure costs and to require developers to pay the Town on the back end once they are constructed. He said the Town is now a midsized community and not a small community anymore. He said that development pressures are now in North Marana. Another benefit the Town has now is that the Town owns all of the utilities in the North Marana area, which was not the case when development occurred in other areas of the Town. **Council Member Comerford** liked the idea of the Town fronting infrastructure costs and then having developers write the Town a check afterward. **Mayor Post** said that with this approach, developers would know what the ultimate price would be, which provides developers with

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certainty in cost projections that may not exist under the current approach.

Mr. Rozema said this discussion was incredibly helpful. He said he sensed a real change in the direction and mindset of the Council when it comes to approaching certain infrastructure projects. He said the Council provided a strong consensus on the idea of strategic investment. He thanked everyone for participating.

[The meeting adjourned for the day at 5:16 PM.]

**Friday,
February 21
from 8:15am
to 1:00pm**

7:30AM -
8:15AM - **Breakfast at Hotel**

8:15AM -
9:15AM - **Call to Order/Roll Call**

Mayor Post called the meeting to order at 8:19 AM and directed the Town Clerk to call the roll. All Council Members were present, constituting a quorum. Staff present included **Town Manager Terry Rozema, Deputy Town Manager Erik Montague, Assistant Town Manager Andrea De La Cruz, Town Attorney Jane Fairall, Town Clerk / Assistant Town Attorney David Udall, Finance Director Yiannis Kalaitzidis, Public Works Director Fausto Burruel, Development Services Director Jason Angell,** and **Economic Development Director Curt Woody.**

Airport: Update and discussion regarding airport related projects, including conceptual plan of Air Commerce Park

By: Fausto Burruel & Curt Woody

Mr. Burruel provided a history of the Marana Regional Airport and an overview of current Airport operations and administration. He also provided an update on various projects, including the east apron reconstruction and the Airport tower projects. **Mr. Woody** then presented on the Air Commerce Business Park development outside of

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the Airport fence. He provided options regarding a monument sign and conceptual plans for the business park for the Council to consider and give feedback on. Clarifying questions were asked and answered throughout the presentation. A copy of the presentation slides is on file with the Town Clerk's Office. For more detailed information, including maps and images, please see the presentation slides.

There was a consensus among the Council to proceed with concept C for the monument design options for the Air Commerce Business Park.

There was a consensus among the Council to proceed with option D, without a roundabout, for the Air Commerce Business Park concept plan.

9:15AM - **Affordable Housing: Update and discussion regarding recently completed housing needs assessment and discussion regarding housing related strategies**
10:15AM *By: Jason Angell*

[Actual start time was approximately 9:11 AM.]

Mr. Angell thanked the Council for the discussion related to this topic from the previous afternoon. He provided a summary of the Town's housing study, as presented at the February 11, 2025, Council Study Session. He also explained current Legislative efforts to regulate housing in Arizona and provided examples of what other jurisdictions are doing. Discussion ensued regarding the Legislative efforts and options the Town has. **Mr. Angell** showed depictions of housing products in other communities that would provide a diversity of housing at more affordable prices. He said it was imperative for the Town to take the initiative to bring options into our community or risk the state forcing options the Town may not like. Clarifying questions were asked and answered during the presentation. For more detailed information, including graphs and concept art, please see the presentation slides.

10:15AM -
10:45AM **Morning Break**

[Actual break time was from 9:32 AM until 9:49 AM.]

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*[Note that **Mayor Post** swapped the order of the remaining two items as reflected below. Lunch was also canceled and is therefore not reflected in these minutes.]*

10:45AM – **Employee Benefits: Discussion regarding possibility of adding a nurse practitioner to the Town as an employee benefit; including review of Nurse Practitioner Employee Survey results, possible options, and advantages and disadvantages**
11:45AM
By: Terry Rozema

[Actual start time was 9:49 AM.]

Mr. Rozema explained that at the September 10, 2024, Special Meeting/Retreat, former **Mayor Honea** brought up the possibility of the Town hiring a Nurse Practitioner similar to how Northwest Fire District had hired an in-house Nurse Practitioner. He said that during that retreat, there was a consensus among the Council for the Town to look into this possibility further.

Mr. Rozema said the position has now been looked into further. A survey of Town staff found that out of 92 respondents, roughly 75 employees said it would be beneficial to have a Nurse Practitioner at the Town. The Town's consultant highly recommended that the Town not hire a Nurse Practitioner for liability reasons. The consultant recommended that if the Town does hire a Nurse Practitioner, that it outsource the position to a third party and do the evaluations off-site (due to patient-client privilege concerns, etc.). **Mr. Rozema** said the cost of outsourcing would be approximately \$575,000.00. He said the Town has some of the best health benefits whereas Northwest Fire did not. He said a small percentage of the total amount of employees want a Nurse Practitioner, and he said he had concerns about the Town getting into the medical business and spending a lot of money when great coverage is already being provided. Clarifying questions were asked and answered during the presentation.

Council Member Officer said Northwest Fire already has trained medical professionals on staff and that he tried to explain that to former **Mayor Honea**. **Mayor Post** said one of the reasons this approach works for Northwest Fire was due to their need to have regular medical check-ups. He said he is all about providing incentives to employees, but that

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this was not one of them. **Vice Mayor Ziegler** said she was not in favor of it, and **Council Member Cavanaugh** said he was not either.

There was a consensus among the Council to not add a Nurse Practitioner position.

Mayor and Council Salary: Discussion regarding the current Mayor and Councilmembers' salaries, including a comparison with other similar jurisdictions, and an overview of the process for modifying salaries

By: Terry Rozema

[Actual start time was 10:07 AM.]

Mr. Rozema and **Ms. Fairall** explained that Section 2-1-8 of the Marana Town Code allows the Council's compensation to be set by resolution, but that Article 4, Part 2, Section 17 of the Arizona Constitution requires that any salary increase for the Council go into effect after the next election and seating of the new Council in November of 2026 (including the Mayor salary, since there will be a special election for the Mayor position in 2026). A table was shown listing 23 jurisdictions (including Marana) and their respective salaries. Clarifying questions were asked and answered during the presentation. For more detailed information, please see the presentation slides.

Vice Mayor Ziegler said that if the Council's salaries had been raised by a three-percent cost of living adjustment for each year since 2007, the resulting increase now would be approximately \$31,000.00 per year. She said that might be a little high compared to some other jurisdictions, but that the Council was doing a lot more than back in 2007. **Council Member Cavanaugh** said he did not run for office for the money and that the other jurisdictions shown were all over the place regarding salaries. He said people think the Council's salaries are low and that they probably wouldn't mind if they were bumped up a little bit. **Council Member Comerford** said higher salaries may provide an opportunity for more people to decide to run for office. **Mr. Rozema** commented that most people don't realize how much money it takes to run a campaign. **Mayor Post** agreed. Discussion then ensued regarding specific compensation amounts.

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There was a consensus among the Council to raise Council Member salaries to \$31,000.00 per year and the Mayor salary to \$37,000.00 per year with phone allowances to remain as they currently are and vehicle allowances to be raised to \$350.00 for Council Members, \$400.00 for the Vice Mayor, and \$500.00 for the Mayor. **Ms. Fairall** said a resolution with the specifics could be brought before the Council at an upcoming Council meeting.

Mayor Post said this was the absolute best retreat he has ever attended. He thanked the Council for being supportive of him in his new roll as Mayor, and he said he hoped they were okay with the job he was doing. He said he thought this Council made an amazing team and said it was a perfect choice to appoint **Council Member Murphy**. **Mayor Post** also thanked **Mr. Rozema** and his team.

Mr. Rozema thanked the Council for the great discussion, especially the discussion that occurred following the development exercise the previous day. He said it was extremely helpful for Town staff to hear such discussion and he said staff now has clear direction on a shifted focus and approach to development in the Town.

Vice Mayor Zigler thanked **Mayor Post**. She said she has been to many Council Retreats, and this was the best one she had attended. She said a lot of it had to do with **Mayor Post** and the environment he provided. **Council Member Cavanaugh** thanked **Mayor Post** as well.

Mayor Post said the Town needs to be more aggressive and change the way it is doing business, and that it has all of the tools in place to do that – a good Council, trust, great staff, master planning, etc. **Vice Mayor Ziegler** said the Town needs to project confidence coming from a position of strength going forward.

Mayor Post asked for a motion to adjourn the Special Meeting/Retreat.

Council Member Cavanaugh so moved. Council Member Officer seconded the motion. Motion passed, 7-0. Meeting adjourned at 10:49 AM on February 21, 2025.

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CERTIFICATION

I hereby certify that the foregoing are the true and correct minutes of the special Town Council meeting/retreat held on February 19 – 21, 2025. I further certify that a quorum was present.

David L. Udall, Town Clerk



MARANA TOWN COUNCIL
SPECIAL COUNCIL MEETING

11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, February 25, 2025, at or after 6:00 PM

Jon Post, Mayor
Roxanne Ziegler, Vice Mayor
Patrick Cavanaugh, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
Teri Murphy, Council Member
John Officer, Council Member

SUMMARY MINUTES

CALL TO ORDER AND ROLL CALL

Mayor Post called the meeting to order at 6:00 PM. He directed the Deputy Town Clerk to call the roll. All Council Members were present, constituting a quorum.

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE: Led by **Mayor Post**

APPROVAL OF AGENDA

Mayor Post asked for a motion to approve the agenda.

Vice Mayor Ziegler moved to approve the agenda as presented. Council member Comerford seconded the motion. Motion passed, 7 -0.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

Mayor Post: Announced the passing of **Mel Potter**, a long-time resident of the Marana community. His daughter is **Sherri Cervi**. **Mayor Post** requested prayers for the family.

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Town Manager Terry Rozema said the Town issued a total of 53 single-family residential permits so far in February 2025. Last February, the Town issued a total of 129 permits. **Mr. Rozema** reminded the public that the Concerts in the Courtyard have resumed and that they are held on the third Thursday of each month. He said they take place in the courtyard of the Ed Honea Marana Municipal Complex, and that they begin at 5:00 PM. The first concert of the season was held on February 20, 2025, and approximately 225 people attended. **Mr. Rozema** said that on Saturday February 22, 2025, the Parks and Recreation Department sponsored a hiking challenge. There were four hikes; the Mighty Hike (7.5 Miles), the Major Hike (10 Miles), the Mega Hike (14.5 Miles) and the Massive Hike (18.5 Miles). A total of 350 people participated in the event.

PRESENTATIONS

CONSENT AGENDA

C1 Approval of Study Session Summary Minutes of February 11, 2025, approval of Council Committee for Council Member Appointment Summary Minutes of February 13, 2025, and approval of Special Council Meeting Summary Minutes of February 18, 2025 (David L. Udall)

Vice Mayor Ziegler moved to approve the consent agenda. Council Member Comerford seconded the motion. Motion passed, 7-0.

LIQUOR LICENSES

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

A1 Ordinance No. 2025.003: Relating to Finance; amending the Town of Marana Comprehensive Fee Schedule to add various fees related to the Marana Aquatic and Recreation Center (MARC); defining resident and family; authorizing membership gifts; and designating an effective date (Jim Conroy)

Resolution No. 2025-015: Relating to Finance; declaring as a public record filed with the

Town Clerk the amendments to the Town of Marana Comprehensive Fee Schedule adopted by Ordinance 2025.003 (Jim Conroy)

Parks and Recreation Director Jim Conroy presented the final fee schedule for the Marana Aquatic and Recreation Center (MARC). He let the Council Members know the construction of the MARC is on schedule and will be opening on May 3, 2025, with pass presales beginning April 14, 2025. Mr. **Conroy** briefly discussed the fee schedule, highlighting the family plan and informing the Council that a family would be defined as all family members living in the home, regardless of the number. A copy of the presentation slides is on file with the Town Clerk's Office. For detailed information regarding the fees, please see the presentation slides.

Mayor Post asked **Mr. Conroy** if a family member included children 18 and over. **Mr. Conroy** said yes, if they are living in the home. If a child is 18 or over and not living with their parents, they would be considered an adult and would not be included in the definition of "family" for fee purposes. **Mr. Conroy** said that several families he spoke to were appreciative of the plan, its cost, and the inclusion of all family members.

Council Member Comerford said she is excited that the "residents" include both Town of Marana zip codes as well as neighboring zip codes. **Council Member Kai** was also grateful for this inclusion and asked if zip code 85653 included El Tiro. **Mr. Conroy** confirmed that it does. **Council Member Kai** also asked what zip code the community of Picture Rocks is in. It was determined that Picture Rocks is in zip code 85743, which is considered a Marana resident zip code for fee schedule purposes.

Mr. Conroy reminded the Council that the seniors who currently belong to the Marana Senior Center will be able to use the MARC twice a week at no charge. He also stated that many seniors qualify for the Silver Sneakers program through Medicare and therefore can attend the MARC at no cost to them.

Council Member Cavanaugh asked about the reimbursement rate of Silver Sneakers. **Brandon Laue, Parks and Recreation Aquatics Superintendent**, said that the Silver Sneakers program will cover the entirety of the MARC fees. There will also be a 10% discount for veterans and active military personnel. **Mr. Conroy** went on to say that through their research, the Parks and Recreation team believes that the pool cabanas and the community rooms will be very popular. He also noted that the Marana Marlins, a swim team that has been using the Ora Mae Harn Park Pool for practice for many years, will be given a special rate and will be using the MARC pools.

Member of the public, Ms. Christine Earl addressed the Council with concerns regarding the resident fees for the MARC. She expressed concern for the many families and children in the town of Marana suffering from poverty. **Ms. Earl** said she was

worried they will not be able to afford the MARC and will therefore be excluded from its use. She suggested the Council lower the prices at least for the first year.

Mayor Post said he appreciated **Ms. Earl's** comments and that he and the rest of the Council want everyone to be included and to be able to use the MARC. He said the Council is not trying to exclude anyone or to make money. **Council Member Kai** said the numbers are flexible and will be reevaluated as time goes on. **Mr. Conroy** addressed **Ms. Earl** and some of her concerns. He let her know that there is a teen room that will have computers, gaming systems, and study areas that will be free for all teens to use. He also told her and the Council that there has been some internal discussion regarding a scholarship program.

Council Member Kai moved to approve Ordinance No. 2025.003 and Resolution No. 2025-015 Council Member Comerford seconded the motion. Motion passed, 7-0.

A2 Resolution No. 2025-016: Relating to Marana Regional Airport; approving and authorizing the Mayor to sign the Amended and Restated Marana Regional Airport Lease Agreement (Master Development Lease) for the lease of real property located at the Marana Regional Airport, 11700 West Avra Valley Road (David L. Udall)

Mr. David L. Udall, Town Clerk and Assistant Town Attorney, Presented the resolution granting **Mayor Post** the authorization to sign the amended lease agreement for the lease of real property located at the **Marana Regional Airport**. **Mr. Udall** went over the major points of the lease agreement, including the composition of the lease area, associated fees, the lease term, and a condition requiring hangers on the lease area to become the property of the **Town** upon termination of the lease. A copy of a presentation slide detailing the major deal point of the lease is on file with the Town Clerk's Office. For details, please see the presentation slide.

Vice Mayor Ziegler said that she had read the lease and had received some clarification from **Mr. Udall** on some of the details earlier in the day. She said she is in agreement with the lease terms. She said she was pleased with the control it gives the Town. **Vice Mayor Ziegler** said she was grateful the lease will allow the Town to gain a bit more income and is happy that the fuel fees can be raised as part of the Town's Comprehensive Fee Schedule. **Mr. Udall** clarified that fuel fee revenue is currently not generated in this lease area, however, he said there is a provision for fuel fees in the lease the event Pima Aviation would ever sell fuel as part of this lease. **Vice Mayor** thanked **Mr. Udall** for his work on the lease.

Vice Mayor Ziegler moved to approve the Resolution No. 2025-016. Council Member Kai seconded the motion. Motion passed, 7-0

ITEMS FOR DISCUSSION/POSSIBLE ACTION

Mayor Post requested future agenda items. There were no requests for future agenda items.

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the Mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

Mayor Post requested future agenda items. There were no requests for future agenda items.

ADJOURNMENT

Mayor Post asked for a motion to adjourn the meeting.

Council Member Cavanaugh moved to adjourn the meeting. Council Member Comerford seconded the motion.

Motion to adjourn passed, 7-0. Meeting adjourned at 6:37PM.

CERTIFICATION

I hereby certify that the foregoing are the true and correct minutes of the Special Town Council meeting held on February 25, 2025. I further certify that a quorum was present.

Debbie Thompson, Deputy Town Clerk

DRAFT



MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, March 4, 2025, at or after 6:00 PM

Jon Post, Mayor
Roxanne Ziegler, Vice Mayor
Patrick Cavanaugh, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
Teri Murphy, Council Member
John Officer, Council Member

SUMMARY MINUTES

CALL TO ORDER AND ROLL CALL

Mayor Post called the meeting to order at 6:02 PM. He directed the Town Clerk to call the roll. **Council Member Comerford** and **Council Member Kai** were absent. All other Council Members were present, constituting a quorum.

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE: Led by **Mayor Post**.

APPROVAL OF AGENDA

Mayor Post asked for a motion to approve the agenda.

Vice Mayor Ziegler moved to approve the agenda. Council Member Cavanaugh seconded the motion. Motion passed, 5-0.

CALL TO THE PUBLIC

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

Regular Council Meeting Summary Minutes
March 4, 2025

Council Member Cavanaugh complemented Ironwood Elementary School for receiving an A rating. He said he is proud of the academic accomplishments taking place in Marana.

Vice Mayor Ziegler said the Special Council Meeting/Retreat on February 19 – 21, 2025, was the best retreat she has attended. She thanked **Mayor Post** for setting the tone and tenor of the meeting. She said that she and **Council Member Comerford** attended the Marana Chamber of Commerce’s Business Connection Breakfast.

Mayor Post echoed **Vice Mayor Ziegler’s** comments on the retreat and said that the retreat was the best retreat the Council has had. He said the Council and relationships among the Council Members are great and that the Town has great staff. He said the retreat resulted in the Council setting a different direction than it previously has traveled, but that it will still hold onto the values that have built the Town. He congratulated **Marana Police Chief Jeffrey Pridgett** on being inducted into the Marana High School Hall of Fame. He also said he attended his first Regional Transportation Authority (RTA) meeting and that it was everything former **Mayor Honea** said it was and more. He said it was very political, and that there were several major issues that needed to be worked through.

MANAGER’S REPORT: SUMMARY OF CURRENT EVENTS

Town Manager Terry Rozema said there were 70 single-family residential permits issued in the month of February, which indicates an uptick in recent permit issuing trends. He said the Marana Aquatics and Recreation Center (MARC) reached an important milestone. As of the day before, the pool is now finished and is being filled with water. He also reminded the Council about the March 15, 2025, Founders’ Day Signature Event and congratulated **Chief Pridgett** on his induction into the Hall of Fame.

PRESENTATIONS

P1 Presentation: Relating to Finance; presentation, discussion and possible direction on proposed changes to the Town of Marana Comprehensive Fee Schedule and other various rate and fee adjustments (Yiannis Kalaitzidis)

Finance Director Yiannis Kalaitzidis presented on this item. A copy of the presentation slides is on file with the Town Clerk’s Office. **Mr. Kalaitzidis** said there were approximately 30 proposed changes to the Town’s comprehensive fee schedule for its Fiscal Year 2026 annual update, and he summarized several of the changes. For more detailed information, please see the presentation slides. **Mr. Kalaitzidis** said he hopes to bring these changes before Council for adoption after a public notice period on May 20, 2025. A clarifying question was asked and answered during the presentation.

P2 Relating to Budget; presentation of independent auditor's report and final results for the 2023-2024 fiscal year (Yiannis Kalaitzidis)

Mr. Kalaitzidis introduced **Mr. Brian Hemmerle, Lead Audit Principal** with **Baker Tilly Advisory Group**, the Town's independent auditor.

Mr. Hemmerle presented the results of the audit report. He said that a clean report has been issued for the Town, meaning that there were no audit findings, and he summarized the report's components and the auditor's work and responsibilities. A copy of the presentation slides is on file with the Town Clerk's Office. For more detailed information, please see the presentation slides.

Mayor Post asked how **Mr. Hemmerle** looked for fraud while completing his work on the audit. **Mr. Hemmerle** explained that interviews are held with Town management and Town Council Members. The process includes tests and controls wherever weaknesses might be found. **Mayor Post** asked how the Town verifies that vendors are legitimate. **Mr. Hemmerle** said that the audit process involves looking at the internal controls surrounding who is approving each vendor transaction, who is recording the transaction, and who authorizes payment. He said they also look to ensure there is a separation of duties with different individuals involved to ensure multiple checks in the transaction approval process. He said they also look at the Town's procurement activities to make sure there is not any unusual bidding activity.

CONSENT AGENDA

C1 Resolution No. 2025-017: Relating to Administration; demonstrating the Town's compliance with A.R.S. § 41-1494 (Curry C. Hale)

C2 Resolution No. 2025-018: Relating to Development; approving the Final Plat for Stonegate Blocks 8-10, 15-17, and Parcels E and F located approximately one and one-half miles north of Tangerine Road and east of Adonis Road within a portion of Section 25, Township 11 South, and Range 11 East (Brian D. Varney)

C3 Resolution No. 2025-019: Relating to Real Estate; approving and authorizing the Mayor to sign the Town of Marana Lease Extension with SG Farms L.L.C., for extension of the lease of approximately 22.88 acres of Town owned property abutting the north boundary of the Marana Wastewater Reclamation Facility (George Cardieri)

C4 Resolution No. 2025-020: Relating to Real Estate; approving and authorizing the Town Engineer to execute a License Agreement with the United States of America, Department of Energy, Western Area Power Administration, specifying consent for new public roadway and drainage improvements to be constructed for the Twin Peaks

Rattlesnake Pass Widening Project, located within WAPA's existing transmission line easement (George Cardieri)

Vice Mayor Ziegler moved to approve the consent agenda. Council Member Cavanaugh seconded the motion. Motion passed, 5-0.

LIQUOR LICENSES

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

Mayor Post requested that Items A1 and A2 be heard together.

A1 Resolution No. 2025-021: Relating to Development; approving and authorizing the Mayor to execute the Settlement Agreement between the Southern Arizona Home Builders Association (SAHBA) and the Town of Marana in settlement of the litigation captioned *Southern Arizona Home Builders Association v. Town of Marana*, No. C20184411 (Pima County Superior Court) (Jane Fairall)

A2 Ordinance No. 2025.004: Relating to Development; amending development impact fees for Water Resources and Wastewater Facilities; and providing an effective date (Jane Fairall)

Ms. Fairall said that these two items will finally resolve ongoing litigation between the Town and the Southern Arizona Home Builders Association (SAHBA), in which SAHBA sued the Town in 2018 over the Town's adoption of impact fees related to its acquisition of a Water Treatment Facility (WRF) in 2017. Item A1 involves the approval of the settlement agreement between the parties and Item A2 involves a related ordinance summarized as part of the settlement agreement terms below. **Ms. Fairall** summarized the terms and conditions of the settlement agreement as follows:

- The Town will adjust its current Water Resources and Wastewater Facilities development impact fees (DIF), adopted in December 2022, downward as set forth in Ordinance No. 2025.004 (the Water Resources DIF will be reduced by approximately 35% and the Wastewater Facilities DIF will be reduced by approximately 25%).
- The revised fees will not be increased for three years or until the Town approves new impact fees pursuant to state law, whichever is later.
- The Agreement will be prospective only; the Town will not be required to refund any previously collected fees.

- The parties agreed that future Town fees will not include any costs attributable to certain elements of the WRF, namely the secondary treatment system, the secondary clarifiers, the solids handling facility and tertiary treatment.
- The Town will pay SAHBA \$450,000.00 in attorneys' fees.

Council Member Cavanaugh said that there would be a loss of approximately \$7.5 million in impact fee revenues over the three-year period as a result of the settlement agreement and asked what the Town would do to make up the difference. **Deputy Town Manager Erik Montague** said the Town was required to hold harmless the impact fee funds and therefore the impact fee funds would be made whole from non-impact fee sources.

Vice Mayor Zigler said this litigation has been going on for a long time and has been arduous and complex. She said she was glad it was finally coming to a conclusion. She thanked **Mr. Montague, Mr. Rozema**, and the Town's outside consultants – including former **Town Attorney Frank Cassidy** – for their work on this. She extended special thanks to **Ms. Fairall** for her work throughout this process.

Vice Mayor Ziegler moved to adopt Resolution No. 2025-021 and Ordinance No. 2025.004. Council Member Officer seconded the motion. Motion passed, 5-0.

ITEMS FOR DISCUSSION / POSSIBLE ACTION

D1 Relating to Development and Public Works; update, discussion, and possible direction regarding public and private projects and development applications on the Town's [Marana Current and Proposed Projects](#) internet site (Jason Angell)

Mr. Udall and **Mr. Rozema** said **Development Services Director Jason Angell** was ill and therefore there would not be an update on current projects at this meeting.

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the Mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

Mayor Post asked for future agenda items. There were no requests for future agenda items.

ADJOURNMENT

Mayor Post asked for a motion to adjourn the meeting.

Vice Mayor Ziegler moved to adjourn the meeting. Council Member Cavanaugh seconded the motion. Motion passed, 5-0. Meeting adjourned at 6:41 PM.

CERTIFICATION

I hereby certify that the foregoing are the true and correct minutes of the regular Town Council meeting held on March 4, 2025. I further certify that a quorum was present.

David L. Udall, Town Clerk



Council-Regular Meeting

A1

Meeting Date: 03/18/2025

To: Mayor and Council

From: Jane Fairall, Town Attorney

Date: March 18, 2025

Strategic Plan Focus Area:
Not Applicable

Subject: Ordinance No. 2025.006: Relating to Mayor and Council; amending Marana Town Code Title 2 (Mayor and Council), amending Chapter 2-1 (Council) Section 2-1-4 (Vacancies) to provide for the filling of Council vacancies consistent with Arizona state law; amending chapter 2-2 (Council Elections) Section 2-2-8 (Automatic recount) to clarify when an automatic recount is required under state law; amending Chapter 2-3 (Mayor and Vice Mayor) Section 2-3-1 (Vice mayor) to add a provision for appointment of a vice mayor when the seat is vacant; and designating an effective date

Resolution No. 2025-024: Relating to Mayor and Council; declaring as a public record filed with the Town Clerk the amendments adopted by Ordinance No. 2025.006, amending Marana Town Code Title 2 (Mayor and Council), amending Chapter 2-1 (Council) Section 2-1-4 (Vacancies) to provide for the filling of Council vacancies consistent with Arizona state law; amending Chapter 2-2 (Council Elections) Section 2-2-8 (Automatic recount) to clarify when an automatic recount is required under state law; amending Chapter 2-3 (Mayor and Vice Mayor) Section 2-3-1 (Vice mayor) to add a provision for appointment of a vice mayor when the seat is vacant (Jane Fairall)

Discussion:

Title 2 of the Marana Town Code (MTC) addresses numerous issues related to the Mayor and Council, including election procedures and the filling of any vacant seats on the Council. If adopted, the proposed ordinance will bring Title 2 into conformance with Arizona state law regarding the procedure for filling vacancies on the Council and the trigger for an automatic recount in a Town election. Additionally, the ordinance will add a provision regarding filling the Vice Mayor position if there is a vacancy in that seat.

Council Vacancies

Section 2-1-4 of the Town Code addresses the filling of vacancies on the Town Council for either a Council Member seat or the Mayor's seat. Currently, the Code provides that for a Council Member vacancy, the Council shall appoint a person to fill the unexpired term of the seat. For the Mayor's seat, the Code currently states that if the vacancy occurs more than 18 months following the commencement of the term, a new, appointed Mayor shall complete the Mayor's term, and if the vacancy occurs within 18 months following the commencement of the term, the Town shall call a special election for Mayor at the next primary and general elections of the Town. However, neither of these provisions in Section 2-1-4 conform to the procedures set forth in Arizona state law for the filling of Council vacancies.

A.R.S. Section 9-235(A) provides as follows:

"The council shall fill a vacancy that may occur by appointment until the next regularly scheduled council election if the vacancy occurs more than thirty days before the nomination petition deadline, otherwise the appointment is for the unexpired term. If the city or town by ordinance provides that at the primary election any candidate for the office of mayor or city council who receives a majority of all votes cast at that election for that office is declared elected to the office and a candidate to fill the vacancy in that office receives a majority of all votes cast for that office at the primary election, section 9-821.01, subsection D applies. This subsection does not apply to a charter city."

The proposed ordinance will modify MTC Section 2-1-4 to mirror the language in the state law regarding vacancies.

Automatic Recount

MTC Section 2-2-8 addresses the circumstances of when an automatic recount is required in a Town election, and provides that a recount is required if the margin of votes between the successful candidate receiving the least number of votes and the unsuccessful candidate receiving the greatest number of votes for Council, or the margin between the number of votes cast for and against initiated or referred measures, does not exceed 5 votes. However, state law provides that a recount is required if the margin is less than or equal to 1/2 of 1% of the number of votes cast.

A.R.S. Section 16-661(A): "A recount of the vote is required when the canvass of returns in a primary or general election shows that the margin between the two candidates receiving the greatest number of votes for a particular office, or between the number of votes cast for and against initiated or referred measures or proposals to amend the

Constitution of Arizona, is less than or equal to one-half of one percent of the number of votes cast for both such candidates or on such measures or proposals."

The proposed ordinance will modify MTC Section 2-2-8 to conform to A.R.S. Section 16-661(A).

Vice Mayor Vacancy

MTC Section 2-3-1 sets forth the procedures for selection of the Vice Mayor from among the Council Members, which occurs every two years, after the date of each general election. However, Section 2-3-1 does not currently include a provision for selecting a Vice Mayor if there is a vacancy in the seat. The proposed ordinance would add paragraph B to Section 2-3-1, providing that if there is a vacancy in the Vice Mayor's seat, the Council shall choose a new Vice Mayor from among their number by majority vote, using the same procedure that is used to choose a Vice Mayor after each general election date.

Staff Recommendation:

Staff recommends approval of the ordinance and resolution.

Suggested Motion:

I move to adopt Ordinance No. 2025.006, amending Marana Town Code Title 2 (Mayor and Council) and Resolution No. 2025-024, declaring the amendments to be a public record.

Attachments

Ordinance No. 2025.006

Resolution No. 2025-024

Exhibit A - Title 2 Amendments

MARANA ORDINANCE NO. 2025.006

RELATING TO MAYOR AND COUNCIL; AMENDING MARANA TOWN CODE TITLE 2 (MAYOR AND COUNCIL), AMENDING CHAPTER 2-1 (COUNCIL) SECTION 2-1-4 (VACANCIES) TO PROVIDE FOR THE FILLING OF COUNCIL VACANCIES CONSISTENT WITH ARIZONA STATE LAW; AMENDING CHAPTER 2-2 (COUNCIL ELECTIONS) SECTION 2-2-8 (AUTOMATIC RECOUNT) TO CLARIFY WHEN AN AUTOMATIC RECOUNT IS REQUIRED UNDER STATE LAW; AMENDING CHAPTER 2-3 (MAYOR AND VICE MAYOR) SECTION 2-3-1 (VICE MAYOR) TO ADD A PROVISION FOR APPOINTMENT OF A VICE MAYOR WHEN THE SEAT IS VACANT; AND DESIGNATING AN EFFECTIVE DATE

WHEREAS Arizona Revised Statutes (A.R.S.) § 9-235 dictates the procedures that a general law (non-charter) municipality such as the Town of Marana must use to fill a vacancy on the Town Council; and

WHEREAS A.R.S. § 16-661(A) dictates that an automatic recount of a vote is required when the canvass of returns in a primary or general election “shows that the margin between the two candidates receiving the greatest number of votes for a particular office . . . is less than or equal to one-half of one percent of the number of votes cast for both such candidates . . .”; and

WHEREAS Marana Town Code Title 2 (Mayor and Council) includes various provisions related to the Town Council, including the filling of Council vacancies and Council elections and this ordinance will bring the Town Code provisions into conformance with state law; and

WHEREAS the Town Council finds this ordinance to be in the best interests of the Town and its citizens.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Marana, Arizona, as follows:

SECTION 1. The revisions to Title 2 (Mayor and Council), amending Chapter 2-1 (Council) Section 2-1-4 (Vacancies) to provide for the filling of Council vacancies consistent with Arizona state law; amending chapter 2-2 (Council Elections) Section 2-2-8 (Automatic recount) to clarify when an automatic recount is required under state law; amending Chapter 2-3 (Mayor and Vice Mayor) Section 2-3-1 (Vice mayor) to add a provision for appointment of a vice mayor when the seat is vacant, one paper copy and one electronic copy of which are on file in the office of the Town Clerk, which were made a public record by and attached as Exhibit A to Resolution No. 2025-024 of the Town of

Marana, Arizona, are hereby referred to, adopted and made a part of this ordinance as if fully set out here.

SECTION 2. The various town officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this ordinance.

SECTION 3. All ordinances, resolutions, or motions and parts of ordinances, resolutions, or motions of the Council in conflict with the provisions of this ordinance are hereby repealed, effective as of the effective date of this ordinance.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, the decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 5. This ordinance is effective on the 31st day after its adoption.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of March, 2025.

Vice Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

David L. Udall, Town Clerk

Jane Fairall, Town Attorney

MARANA RESOLUTION NO. 2025-024

RELATING TO MAYOR AND COUNCIL; DECLARING AS A PUBLIC RECORD FILED WITH THE TOWN CLERK THE AMENDMENTS ADOPTED BY ORDINANCE NO. 2025.006, AMENDING MARANA TOWN CODE TITLE 2 (MAYOR AND COUNCIL), AMENDING CHAPTER 2-1 (COUNCIL) SECTION 2-1-4 (VACANCIES) TO PROVIDE FOR THE FILLING OF COUNCIL VACANCIES CONSISTENT WITH ARIZONA STATE LAW; AMENDING CHAPTER 2-2 (COUNCIL ELECTIONS) SECTION 2-2-8 (AUTOMATIC RECOUNT) TO CLARIFY WHEN AN AUTOMATIC RECOUNT IS REQUIRED UNDER STATE LAW; AMENDING CHAPTER 2-3 (MAYOR AND VICE MAYOR) SECTION 2-3-1 (VICE MAYOR) TO ADD A PROVISION FOR APPOINTMENT OF A VICE MAYOR WHEN THE SEAT IS VACANT

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, that the revisions to Title 2 "Mayor and Council" of the Marana Town Code adopted by Marana Ordinance No. 2025.006, a copy of which is attached to and incorporated in this resolution as Exhibit A and one paper copy and one electronic copy of which are on file in the office of the Town Clerk, are hereby declared to be a public record and ordered to remain on file with the Town Clerk.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 18th day of March, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

David L. Udall, Town Clerk

Jane Fairall, Town Attorney

EXHIBIT A TO MARANA RESOLUTION NO. 2025-024
Amendments to Marana Town Code, Title 2 (Mayor and Council) pursuant to Marana
Ordinance No. 2025.006

SECTION 1. Title 2 (Mayor and Council), Chapter 2-1 (Council) Section 2-1-4 (Vacancies) is hereby amended as follows: (with additions shown with double-underlining and deletions shown with ~~strikeouts~~):

2-1-4 Vacancies

A. If there is a vacancy in a council member seat, ~~The council shall fill the vacancy by appointment as follows for the unexpired term any vacancy on the council that may occur for whatever reason, by the following procedure:~~

1. If the vacancy occurs less than 30 days before the nomination petition deadline for the next regular election, the appointed council member shall complete the remaining unexpired term of the vacant council seat.

2. If the vacancy occurs more than 30 days before the nomination petition deadline for the next regular election, the appointed council member shall serve until the next regular election and the town shall schedule a special election for the council member seat at the next primary and general elections, calling for the election of a council member to complete the remaining two years of the vacant term. The appointed council member shall serve until the newly elected council member takes office to complete the remaining two-year term. If a candidate to fill the vacancy receives a majority of all votes cast for the vacant seat at the primary election, A.R.S. § 9-821.01, subsection D applies.

B. The council shall fill the council member seat vacancy by the following procedures:

1. ~~Whenever a vacancy on the town council occurs, the town clerk shall~~ Whenever a vacancy on the town council occurs, the town clerk shall advertise, post, and give public notice of the vacancy and availability of a seat on the town council.

2. Those interested in filling the vacancy shall submit to the town clerk an application, resume, and other support materials as desired, and the town clerk shall distribute all the materials to all remaining council members.

3. Thereafter, the council will fill the vacant seat by a majority vote. The vote will not be by nomination and election, rather it will be conducted by making a motion to appoint a certain individual to the vacant council seat to fulfill the remaining term, and if the motion fails for lack of a second or majority vote there may thereafter be a subsequent motion for a different or the same individual. The council may continue making motions until a motion to appoint an applicant to the vacant seat is successfully passed by a majority of the council.

CB. ~~If there is a vacancy in the mayor's position, the council shall elect~~ If there is a vacancy in the mayor's position, the council shall appoint one council member willing to serve as mayor, who shall resign his or her council seat and become the mayor as provided below.

1. ~~If the vacancy in the mayor's position occurs more less than 30 days before the nomination petition deadline for the next regular election 18 months following the commencement of the terms, the appointed mayor shall complete the remaining unexpired term of the vacant mayoral seat elected mayor's term.~~

EXHIBIT A TO MARANA RESOLUTION NO. 2025-024
Amendments to Marana Town Code, Title 2 (Mayor and Council) pursuant to Marana
Ordinance No. 2025.006

2. If the vacancy in the mayor's position occurs more than 30 days before the nomination petition deadline for the next regular election ~~within 18 months following the commencement of the term~~, then the town shall schedule a special election for mayor to occur at the next primary and general elections of the town, calling for the election of a mayor to complete the remaining two years of the term. The appointed mayor shall serve until the newly elected mayor takes office to complete the remaining two-year mayoral term. If a candidate to fill the vacancy receives a majority of all votes cast for the vacant seat at the primary election, A.R.S. § 9-821.01, subsection D applies.

SECTION 2. Title 2 (Mayor and Council), Chapter 2-2 (Council Election), Section 2-2-8 (Automatic recount) of the Marana Town Code is hereby revised as follows (with additions shown with double-underlining and deletions shown with ~~strikeouts~~):

2-2-8 Automatic recount

A. When the canvass of returns in a special, primary or general town election shows that the margin between the successful candidate receiving the least number of votes and the unsuccessful candidate receiving the greatest number of votes for council, or the margin between the number of votes cast for and against initiated or referred measures, is less than or equal to one-half of 1% of the number of votes cast for both such candidates or on such measures ~~does not exceed five votes~~, a recount of the vote upon those candidates, or measures ~~or proposals~~ shall be required.

B. When the canvass shows that a recount is required, the council shall forthwith certify the facts requiring a recount to the Pima County superior court.

C. Upon the court announcing the results of the election recount and entering an order setting forth its determination as required under A.R.S. § 16-665, the town clerk shall forthwith deliver to the candidate entitled to them, as certified by the court, the certificate of election.

SECTION 3. Title 2 (Mayor and Council), Chapter 2-3 (Mayor and Vice Mayor), Section 2-3-1 (Vice mayor) of the Marana Town Code is hereby revised as follows (with additions shown with double-underlining):

2-3-1 Vice mayor

A. After their election and qualification, but in any event not later than December 31 following the date of the general election, or, if no general election is held, following the date the general election would have been held, the council members shall choose a vice mayor from among their number by majority vote. The vote will not be by nomination and election, rather it will be conducted by making a motion to appoint a certain council member as vice mayor, and if the motion fails for lack of a second or majority vote there may thereafter be a subsequent motion for a different or the same individual. The council will continue making motions until a motion to appoint a council member as vice mayor

EXHIBIT A TO MARANA RESOLUTION NO. 2025-024
Amendments to Marana Town Code, Title 2 (Mayor and Council) pursuant to Marana
Ordinance No. 2025.006

is successfully passed by a majority of the council. The vice mayor shall assume the duties of the mayor in the absence, disqualification or resignation of the mayor.

B. If there is a vacancy in the vice mayor's seat, the council shall choose a new vice mayor from among their number by majority vote, using the procedure described in paragraph A of this section.



Council-Regular Meeting

A2

Meeting Date: 03/18/2025

To: Mayor and Council

From: David L. Udall, Town Clerk/ Assistant Town Attorney

Date: March 18, 2025

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2025-025: Relating to the Marana Regional Airport; approving and authorizing the Mayor to sign the Second Amendment to Marana Regional Airport Lease Agreement with The J.D. Russell Company (David L. Udall)

Discussion:

On June 17, 2020, the Town of Marana entered into a lease agreement with The J.D. Russell Company (J.D. Russell) allowing J.D. Russell to lease approximately 35,588 square feet or 0.817 acres generally located on the east side of the Marana Regional Airport for aeronautical uses, as those uses are defined and approved by the United States Federal Aviation Administration (FAA). Pertinent terms of the lease agreement included a 25-year lease term with a ten-year renewal option, rent starting at \$0.45 per square foot per year with rent adjustments occurring every three years based on the cumulative amount of any percentage change in the Consumer Price Index for all Urban Consumers, and required timelines for development of the property. Effective December 8, 2021, the Town and J.D. Russell entered into the First Amendment to Marana Regional Airport Lease Agreement to expand the leased area to cover an additional 11,388 square feet or .26 acres.

J.D. Russell is now planning to develop the lease area further by constructing two box hangars on the leased premises. In order to amortize the new hangars, J.D. Russell now desires the lease to be amended further to extend the ten-year renewal option by another ten years.

If approved, this item would authorize the Mayor to sign an amendment to the original

lease agreement revising the renewal option from ten to 20 years, contingent upon J.D. Russell constructing and obtaining certificates of occupancy for the box hangars. All other terms and conditions of the original lease, as previously amended, would remain the same.

Financial Impact:

Extending the agreement further does not result in any immediate financial impact to Town or Airport operations.

Staff Recommendation:

Staff recommends approval of Resolution No. 2025-025.

Suggested Motion:

I move to adopt Resolution No. 2025-025, approving and authorizing the Mayor to sign the Second Amendment to Marana Regional Airport Lease Agreement with The J.D. Russell Company.

Attachments

Resolution No. 2025-025

Exhibit A - Second Amendment to Marana Regional Airport Lease Agreement (J.D. Russell)

MARANA RESOLUTION NO. 2025-025

RELATING TO THE MARANA REGIONAL AIRPORT; APPROVING AND AUTHORIZING THE MAYOR TO SIGN THE SECOND AMENDMENT TO MARANA REGIONAL AIRPORT LEASE AGREEMENT WITH THE J.D. RUSSELL COMPANY

WHEREAS the Town of Marana owns the Marana Regional Airport located at 11700 W. Avra Valley Road, Marana, Arizona 85653 (the "Airport"); and

WHEREAS A.R.S. § 28-8411 authorizes the Town Council to undertake all activities necessary to acquire, establish, construct, own, control, lease, equip, improve, maintain, operate and regulate the Airport; and

WHEREAS on June 16, 2020, the Town Council approved Marana Resolution No. 2020-066, authorizing the Mayor to sign the Marana Regional Airport Lease Agreement with The J.D. Russell Company ("J.D. Russell") to allow J.D. Russell to use approximately 35,588 square feet or 0.817 acres generally located on the east side of the Airport for aeronautical uses, as those uses are defined and approved by the United States Federal Aviation Administration ("FAA"); and

WHEREAS Article 3 of the Lease establishes a 25-year lease term and provides J.D. Russell with an option to renew the Lease for a subsequent ten-year period (the "Renewal Period"); and

WHEREAS on December 7, 2021, the Town Council approved Marana Resolution No. 2021-152, authorizing the Mayor to sign the First Amendment to Marana Regional Airport Lease Agreement with J.D. Russell to expand the leased area by approximately 11,388 square feet or 0.26 acres; and

WHEREAS J.D. Russell is now planning to develop the lease area further by constructing two box hangars on the leased premises; and

WHEREAS the Mayor and Council find that entering into the Second Amendment to Marana Regional Airport Lease Agreement with J.D. Russell to extend the Renewal Period from ten to 20 years, contingent upon J.D. Russell constructing the box hangars, in order to allow further development on the leased premises is in the best interests of the Town and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS: the Second Amendment to Marana Regional Airport Lease Agreement, substantially in the same form attached to and incorporated by this reference in this resolution as Exhibit A, is hereby approved, the Mayor is hereby authorized and directed to sign it for and on behalf of the Town of Marana, and the Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 18th day of March, 2025.

Mayor Jon Post

ATTEST:

APPROVED AS TO FORM:

David L. Udall, Town Clerk

Jane Fairall, Town Attorney

SECOND AMENDMENT TO MARANA REGIONAL AIRPORT LEASE AGREEMENT

This SECOND AMENDMENT TO MARANA REGIONAL AIRPORT LEASE AGREEMENT (this "Second Amendment") is made and entered into by and between the TOWN OF MARANA, an Arizona municipal corporation (the "Lessor"), and THE J.D. RUSSELL COMPANY, a Michigan corporation (the "Lessee"). The Lessor and Lessee are sometimes collectively referred to as the "Parties," either one of which is sometimes individually referred to as a "Party."

RECITALS

A. Lessor and Lessee are parties to that certain lease agreement entitled "Marana Regional Airport Lease Agreement" made and entered into on June 17, 2020, (the "Lease"), by which Lessor leases to Lessee a certain portion of real property located at the Marana Regional Airport, 11700 West Avra Valley Road, Town of Marana, County of Pima, State of Arizona (the "Property").

B. The Property is more particularly described in the legal description and map attached to and incorporated by reference within the Lease as Exhibit A.

C. Article 3 of the Lease establishes a 25-year lease term commencing on June 17, 2020, and provides Lessee an option to renew the Lease for a subsequent 10-year period (the "Renewal Period") subject to the same terms and conditions of the Lease, provided that Lessee is not in default of any of its obligations under the Lease at the time of renewal.

D. Article 31 of the Lease provides that the Lease may not be modified except in writing by the Parties.

E. Effective December 8, 2021, the Parties entered into the First Amendment to Marana Regional Airport Lease Agreement (the "First Amendment"), by which the Parties amended the Lease to revise the legal descriptions of the Property.

F. The Parties now desire to further amend the Lease to extend the Renewal Period, as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Second Amendment as though fully restated here, and the mutual covenants set forth in the Lease, as amended by the First Amendment and this Second Amendment, the Parties hereby agree as follows:

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SECOND AMENDMENT TO MARANA REGIONAL AIRPORT LEASE AGREEMENT: THE J.D. RUSSELL COMPANY

- 1 -

1. *Term.* Article 3 ("Term") of the Lease is hereby amended as follows (with additions shown with double underlining):

[No changes to paragraph 3.1.]

3.2 The Town grants to Lessee an option to renew this Lease for a 10-year period, subject to the same terms and conditions as are contained in this Lease, provided that Lessee is not in default of any of its obligations under this Lease at the time of renewal. Lessee may exercise said option by delivering to the Airport Director written notice of its intention to do so at least 90 days prior to the expiration of the original terms of this Lease.

3.3 If Lessee constructs, subject to the terms and conditions of this Lease and as evidenced by Lessee obtaining and presenting to the Town certificates of occupancy, two box hangars on the Property, the "option to renew this Lease for a 10-year period" set forth in paragraph 3.2 above shall, by operation of this paragraph 3.3, immediately be replaced with the "option to renew this Lease for a 20-year period." If for any reason Lessee fails to construct the box hangars, as evidenced by Lessee obtaining and presenting to the Town certificates of occupancy, the option to renew this Lease, as set forth in paragraph 3.2 above, shall remain unchanged.

2. *Effective Date of Second Amendment.* This Second Amendment shall be effective as of the date of the signature of the last Party to sign this Second Amendment.

3. *Recordation.* This Second Amendment will not be recorded.

4. *Other Terms and Provisions.* All other terms and provisions of the Lease and its exhibits not specifically changed by this Second Amendment shall remain in effect and be binding upon the Parties as provided for in the Lease. Words and phrases having a defined meaning in the Lease have the same respective meanings when used in this Second Amendment unless otherwise expressly stated.

5. *Entire Agreement.* This Second Amendment constitutes the entire agreement between the parties pertaining to the subject matter of this Second Amendment. All prior and contemporaneous agreements, representations and understandings of the Parties, oral or written, are hereby superseded and merged in this Second Amendment.

6. *Severability.* If any provision of this Second Amendment is declared illegal, invalid or unenforceable, in whole or in part, under present or future laws, it shall be severed from the remainder of this Second Amendment, which shall otherwise remain in full force and effect. In lieu of the illegal, invalid or unenforceable provision, there shall be added automatically as part of this Second Amendment a provision as similar in terms to the illegal, invalid or unenforceable provisions as may be possible and still be legal,

valid and enforceable, and this Second Amendment shall be deemed reformed accordingly.

7. *Governing Law.* This Second Amendment is entered into in Arizona and shall be construed and interpreted under the laws of Arizona, and any actions to enforce or interpret the terms and provisions of this Second Amendment shall be brought and maintained in Pima County, Arizona.

8. *Interpretation.* This Second Amendment has been negotiated by Lessor and Lessee, and neither Party shall be deemed to have drafted this Second Amendment for purposes of construing any portion of this Second Amendment for or against any Party.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Second Amendment as of the last date set forth below their respective signatures (the "Effective Date of this Second Amendment").

The "TOWN":

TOWN OF MARANA, an Arizona municipal corporation

By:

Jon Post, Mayor

Date: _____

The "LESSEE":

THE J.D. RUSSELL COMPANY, a Michigan corporation

By:

Nicholas H. Danna
Nicholas H. Danna, President/CEO

Date: Feb 7, 2025

ATTEST:

David L. Udall, Town Clerk

APPROVED AS TO FORM:

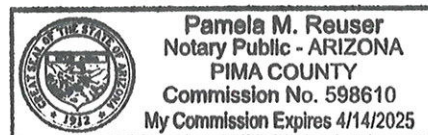
Jane Fairall, Town Attorney

STATE OF Az)
County of Pima ss.)

The foregoing instrument was acknowledged before me on Feb. 7, 2025 by Nicholas H. Danna, the President/CEO of THE J.D. RUSSELL COMPANY, a Michigan corporation, on behalf of the corporation.

(Seal)

Pamela M. Nixon
Notary Public



Pamela M. Reuser